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Editorial AS WE SEE IT

Political campaigns have, we imagine, long been an enigma to a great many citizens of this country. We know that they have been to us. This is, perhaps, particularly true of Presidential campaigns. Candidates storm up and down the country—a great deal more than whistle stop storming is now possible for those who can afford it, thanks to the aeroplane—shaking hands, saying what they hope will be particularly pleasing to local crowds, extending osculatory greetings to infants whose adoring mothers have votes, and constantly searching for some "I shall go to Korea" formula which will, so it is hoped, route the opposition. Meanwhile, some serious proposals, or apparently serious proposals are made for national or world problems which are believed to be much on the minds of the voters—but often are so carefully couched in "weasel words" that they can not be too troublesome if and when the election is won.

Current "Politicking" No Exception

The current campaigning is hardly an exception. Neither of the major candidates has more than occasionally gotten down to fundamentals, and when they did they have in one degree or another flown in the face of American traditions and sound public policy so far as one can be certain of the meaning of what they say. Yet all this certainly need not be. As a matter of fact the best basis for any political platform that has ever been written, and one that we earnestly wish one or the other candidate had long ago nailed to his masthead, was published in the year of our Declaration of Independence—and for much too long a period apparently forgotten by most of us. It expresses basic principle so soundly and so aptly that we could not hope to improve upon it. We therefore beg leave to present it in this place in its entirety. Here it is.

"It is thus that every system which endeavours, either by extraordinary encouragements to draw towards a particular species of industry a greater share of the capital of the society than what *(Continued on page 24)*

Over-The-Counter Supermarket For Largest Choice of Securities

By Dr. Ira U. Cobleigh, Enterprise Economist

An Autumnal Review of the Over-the-Counter Market, stressing the panoramic breadth of its operations and its vital importance to the hundreds of companies that are "going public" every year. Also a unique tabulation of over-the-counter corporate equities with unbroken cash dividend records running from 5 to 176 consecutive years.

Since we live in a "market" economy and are expanding our national wealth fabulously with each passing year, our markets are getting bigger too. And for every new "listed" issue there are five new ones added over-the-counter. When we talk today about a person being "in the market" the phrase no longer refers, almost exclusively, to interest and ownership in actively traded listed securities; it's quite as likely to refer to dealings in bank stocks, insurance shares, warrants, pipeline, publishing, gas and water company securities, new issues or mutual funds, all, or most of which, are traded in the Over-the-Counter Market. "The market" is a many splendored thing but by far the biggest trading arena within it is over-the-counter.

Vast Dealings in Bonds

One of the most important functions of the Over-the-Counter Market is to constantly determine and adjust the level of long-term interest rates. This is done in the Government bond market, the largest single segment of the bond market wherein well over 95% of the trading volume is conducted over-the-counter. Following that, all of our states, city, county, town, district, special purpose and public authority bonds—over 100,000 separate issues—are all originally offered, and subsequently traded in that market. And we now have a couple of new states swelling the already huge total of these issues classified generally as "municipals." If your bracket is high enough for you to go shopping for tax exempt securities, then you're sure to be an Over-the-Counter Market customer.

When it comes to institutions handling your money the Over-the-Counter Market sparkles. All of the 13,000 and more commercial banks, all of the 1,400 life insurance companies (except the mutual ones) have the market for their capital shares there. This list of financial equities includes some of America's most renowned citadels of solvency — Bank of America, First National City Bank, Chase Manhattan Bank, Chemical New York Trust Co., Morgan Guaranty Trust Co., Travelers, Aetna and Connecticut General life insurance companies. So you see if you're a buyer of high quality, long dividend paying equities, some of the very finest in the world are waiting for you over-the-counter and unavailable elsewhere.

Most individual investors give little attention to preferred stocks but these securities are popular among insurance companies. They are usually traded in large blocks over-the-counter. Most of *(Continued on page 26)*

OVER-THE-COUNTER MARKET ISSUE

The Security I Like Best . . .

A continuous forum in which, each week, a different group of experts in the investment and advisory field from all sections of the country participate and give their reasons for favoring a particular security.

This Week's Forum Participants and Their Selections

LAURENCE H. NORTON

President, La Salle Securities Co., Chicago

Members Midwest Stock Exchange

Longview Fibre Company

Longview Fibre Co. was organized in 1926 to utilize waste products of the lumber industry in the form of chips and sawdust. The company's principal plant is located at Longview, Wash. This plant is integrated to the extent that it produces all the company's pulp requirements and a line of unbleached and bleached kraft paper, corrugated medium container board, kraft liner and bags. The company also operates corrugated shipping container plants in Los Angeles and Oakland, Calif.; Seattle, Wash., and Springfield, Mass.

Laurence H. Norton

The acquisition of the Downing Box Co. was completed Dec. 31, 1959, through an exchange of 97,304 shares of Longview Fibre Co. for all of the outstanding stock of the Downing Box Co. This will contribute substantially to Longview's sales, as Downing's 1959 net sales exceeded $13,000,000 and its container board requirements exceeded 60,000 tons.

Longview Fibre Co.'s growth in sales through the 10-year period of Oct. 31, 1949, to Oct. 31, 1959, is shown by 182,524 tons sold in 1949 and 348,944 tons sold in 1959. Net dollar sales for 1949 were $27,204,659 and in 1959 were $58,840,388.

Quality of management is demonstrated by the financing of virtually all growth out of earnings. Earnings per share have followed a remarkably stable pattern during the 10 years ended Oct. 31, 1959, ranging from $3.49 per share in 1949 to $6.09 per share in 1959. Dividends are currently being paid at the rate of 87½c per share quarterly. The unaudited eight months' figures issued on July 29th this year show net income of $4.12 per share against $3.91 for eight months, and a cash flow of $6.03 per share against $5.79 per share a year ago. This is partly due to the inclusion of the operating results of Downing Box Co. in accordance with the pooling-of-interest principle, and the per share statistics are based on the 1,457,304 shares outstanding after the acquisition.

The company's raw material supply has been greatly stabilized recently by its encouragement of small sawmills in its general area to install "de-barkers" and "chippers," making their waste salable. Often, the financing of these installations was done by Longview, with three- to five-year mortgages on the equipment, coincident with a contract for Longview to have the right to purchase the waste products as long as the mill operated. Resourcefulness is also demonstrated by an agreement under which Longview's Springfield, Mass., box plant is supplied with pulp and paper by an Eastern producer, while Longview supplies an equal amount to that company's West Coast converting plants. Management believes that its raw material requirements will be available for many years through waste from local mills, but substantial leverage also exists in ownership of approximately 241,000 acres of growing land. The company has an objective of acquiring a total of 400,000 acres.

One of the writer's personal requirements for an equity is a company which has no debt and no senior equity. Longview Fibre Co. ideally meets these requirements. With $31,963,419 in current assets on Oct. 31, 1959, over $18,000,000 of which is in cash and U. S. Government and other marketable securities, against only $9,896,465 in current liabilities, of which $5,991,426 was the estimated Federal income tax liability, its current position is excellent. I believe that this company's sound growth and current competitive position is such as to make it a prime candidate for further substantial growth within an unusually sound fiscal and administrative framework. Substitution of paper products for other packaging materials, plus many new uses make the long-range outlook for this industry promising, despite present overproduction. The current yield on an offering price of $87.00 per share is slightly above 4%, relatively low when compared even with some of the "blue chips," and some patience may be required on the part of today's purchaser before the realization of the next period of growth results in substantial enhancement in the earning power, price and yield to the holder.

Several large investment trusts have acquired blocks of this stock and continue to do so when available. The stock is traded in the Over-the-Counter Market, but until recently the floating supply was extremely limited. A five-for-one split in 1953 has increased the supply and investors will now find a fairly active market.

The present price of $87.00 per share compares with a high of approximately $100.00 per share within the past 12 months. The quality of this investment, together with its growth potential, makes it the "Security I Like Best."

JOHN B. JUDY

Assistant Vice-President, Harriman Ripley & Co., Inc., New York City

Carrier Corporation

I like the stock of Carrier Corporation because an investor seldom has the opportunity of buying the shares of the dominant company in a growth industry at a price which is less than ten times average earnings in recent years and which provides a yield in the neighborhood of 5%.

John B. Judy

There is of course a special reason why Carrier common is trading at its present level and has sold as low as 27⅛ this year. That is the impact on 1960 sales and earnings of two strikes — one at the Elliott division lasting 12 weeks and the other a work stoppage in Syracuse of about a month's duration. The Elliott strike was settled with a three-year contract that reflects substantial improvements over the preceding one. The strike in Syracuse is being continued officially by the union involved but a full production force has been at work for a number of months following a highly successful call back to work in the latter part of March.

New orders, net sales and per share earnings for the three-month period that ended July 31, 1960 exceeded those of the same quarter a year earlier by 12%, 11% and 28%, respectively.

It is believed that had it not been for the two strikes, Carrier's earnings per share of common stock in 1960 would have been somewhat higher than the $3.62 reported for 1959. The 1958 figure was $3.27 per share.

As to dividends, there are sound reasons to believe that the present rate will at least be maintained. And I would think that the chances for a dividend increase within the next two or three years are good, assuming reasonably favorable general business conditions. Here it should be noted that Carrier's policy is to pay out in dividends approximately 50% of its net profits.

I am of the opinion that Carrier will maintain its predominant position in the air-conditioning industry and is in a strong position to expand its sales significantly in markets which still have enormous growth potential.

Industry statistics indicate that the degree of saturation of various important air conditioning markets is as follows: public school rooms, 1%; factory floor area, 3%; homes, 12%; and hospital space, 13%. In addition there are still a vast number of older office buildings, hotels and commercial establishments which, for competitive reasons, in all probability must eventually be air conditioned. With rare exceptions new buildings in these latter categories are equipped with air conditioning.

Perhaps one of the most spectacular evidences of the increasing general acceptance of air conditioning has been the growth in central residential installations, which are becoming more and more prevalent in the construction of new homes. Carrier produces about one out of every five central residential units sold.

Another market with a huge potential is that of comfort air conditioning for factory workers. Heretofore the principal reason for the air conditioning of manufacturing plants has been the control of temperature and humidity for the sake of the product or process involved. It is now becoming increasingly more evident that air conditioning, where feasible, will more than pay for itself in increased employee efficiency and productivity. Among other things, air conditioning results in materially reduced absenteeism and employee turnover. This is particularly true in industries where labor represents a substantial portion of the cost of the end product and where by the nature of the operation there is a relatively high density of employees per a given floor or space area.

The benefits of air conditioning in hospitals are self-evident as far as patients and medical staff are concerned. In addition, the installation of air conditioning eliminates to a large extent the usual costly fall-off in utilization of

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(This is under no circumstances to be construed as an offer to sell, or as a solicitation of an offer to buy, any security referred to herein.)

A Dangerous Inflationary Potential Still Exists

By Dr. Roy L. Reierson,* *Vice-President, and Chief Economist Bankers Trust Company, New York City.*

Not convinced that the inflationary trend has ended, Dr. Reierson uncovers an accumulating inflationary potential in our economy's monetary and fiscal areas which he avers is too formidable to be dismissed. Also, the banker-economist notes a growing skepticism about the future international stability of our dollar. To these problems, he proposes remedial measures admittedly not likely to be popular in the political, business and labor arenas. The root cause is ascribed to demonstrated inability to pursue countercyclical budget, tax and debt management policy, to the dwindling interest in Treasury bonds by major investor groups, and to the rise in money-velocity and money substitutes which limit the Federal Reserve's countercyclical credit policy despite its independent status.


Roy L. Reierson

Inflationary forces, which have ruled the economic climate since the end of World War II, have recently appeared to subside in the United States, and indeed throughout the world. This view is supported by the worldwide abundance of productive capacity and manufactured goods, foods, raw materials and fuels, and the ensuing pressures of intensified competition. Moreover, as Per Jacobsson, the distinguished Managing Director of the International Monetary Fund, has pointed out, public opinion both here and abroad has reacted against chronic inflation and has given greater support to monetary measures designed to deal with inflationary tendencies.

However, although credit policy obviously has an important bearing on the trend of commodity prices, it cannot effectively combat price increases generated by rising wage costs and other factors which often operate independently of monetary conditions. Moreover, the effectiveness of Federal Reserve policy has been repeatedly hampered by problems arising from fiscal and Treasury debt management policies, which seem to be growing more troublesome. In addition, for the first time in a generation, this country faces a balance of payments problem which has removed the American dollar from the exalted position among world currencies it enjoyed until a few years ago. Until there are convincing indications that the tide has turned, it would be premature to conclude that the inflationary trend has been laid to rest.

The Role of Credit Policy

In considering the relationship between credit policy and the commodity price level, two characteristics of credit policy assume prime importance. One is the flexibility of credit policy; the other is the employment of this flexibility to counteract the movements of the business cycle. These guiding principles of central banking policy were re-established in the United States with the Treasury-Federal Reserve accord of 1951.

The basic objective of such credit policy is to provide credit at such times and in such amounts as to help moderate cyclical fluctuations in business activity, promote economic growth at a sustainable long-term rate, and thus contribute to the prevention of inflationary or deflationary tendencies. Formulation of a suitable policy to meet these aims obviously requires the exercise of judgment by the credit authorities; in our ever-changing economic environment, there are no objective criteria which determine the choice of tools to be employed, their timing, and the intensity with which they are used.

Capacities and Limitations—It need hardly be emphasized that it is quite impossible to isolate the effects of Federal Reserve policy since the 1951 accord, either upon the price level, or upon the business cycle, or upon economic growth. The record makes it fair to conclude, however, that credit policy has been an important factor in moderating business fluctuations; there have been no speculative booms financed by short-term credit, nor have there been spirals of credit liquidation in business recessions. On the contrary, action to ease credit during a business setback has been vigorous and often dramatic, while credit policy has also promoted sustainable economic growth by helping to keep the volume of bank credit in line with the growth of the economy.

At the same time, the record has demonstrated some limiting factors to credit policy. Restraint upon the growth in the money supply has been about offset by rising velocity; moreover, credit policy has not prevented an increase in the aggregate liquidity of the economy, partly because it has not received the needed degree of support from fiscal policy and Treasury debt management. In addition, costs and prices are affected not merely by the rate of credit expansion, where credit policy may exert a direct influence, but also by other more or less autonomous factors, where

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Articles and News Page

THE OVER-THE-COUNTER MARKET'S INVESTMENT OPPORTUNITIES

ARTICLE starting on the cover page, "Over-the-Counter Supermarket for Largest Choice of Securities" discusses the investment opportunities inherent in securities available only in the Over-the-Counter Market as exemplified in the tabulations showing the names of banks and companies which have paid consecutive cash dividends for 10 to 176 years (Table I, page 26) as well as those in the 5 to 10-year category (Table II, page 46).

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OBSERVATIONS...

BY A. WILFRED MAY

CLARIFICATION SUPPLIED
By Mr. Kennedy

It seems that the business and economic community is becoming increasingly uneasy over the Presidential candidates' alleged indefiniteness regarding crucial issues. (George Romney, the President of American Motors, called a news conference in Detroit last Friday specifically to chide them over this.)

As included in our own reporting from the Democratic convention, we felt that Senator Kennedy's statements during the primary contests and at Los Angeles left us uncertain over his attitude toward Federal Reserve policy and the Board's future status ("Is the Reserve again to become the doormat of the Treasury"?) We pointed out that the degree of Executive and Legislative influence that can and should be exerted on this "independent" body, has been a matter of controversy over the 47 years of its existence—with even Carter Glass, the "unreconstructed" apostle of monetary purity, having predicted the need for compromise.

How Independent?

The Congress can alter this *independent agency's* policy determination via enactment of new legislation, its power over the Appropriation-purse, and its veto privilege over Presidential appointments. Although the Board legally is responsible to the Congress rather than to the Executive, the President derives some control through his prerogatives in the appointment of the body's chairman and other officials, and indirectly through his general patronage whip. And, as a practical matter we have seen under the circumstances surrounding the famed *Accord* of March 1951, the Treasury has a continuing say.

Fortunately, Senator Kennedy has now gone a long way, in his address before the Associated Business Publications Conference in New York City last week (Oct. 12), in setting forth his position on monetary and fiscal policy. Since news coverage of this speech was submerged by his other speech of the same day (at the dinner held by the Democratic national and New York State committees) we deem it important to quote verbatim its relevant excerpts, as follows:

The Kennedy Credo

"First, a Democratic Administration would use monetary policies more flexibly than the Republicans. The Republicans adopted the seemingly simple and easy policy of tightening interest rates when demand was strong and prices were rising—a principle that requires allowing rates to fall when the economy needed stimulation. But the facts of the matter are that each successive peak and trough in the economy has ended with higher and higher interest rates—with the result that paradoxically high rates accompanied heavy unemployment, low production, and a slack economy. There was too much reliance upon the philosophy of a "low pressure" economy — a philosophy of soft business and soft labor markets.

"For this policy has not worked. By periodically cutting back on investment, it has held back on a normal, healthy rate of growth. By staying tight too long, as it did in the fall of 1957, it has regularly helped to bring on recessions. And, by penalizing most those who must borrow from banks for investment or home building, it is weighted in favor of the larger corporations, which have access to the open market or which can invest from earnings.

"A Democratic Administration would not rely upon lopsided monetary policy. It would maintain greater flexibility for investment, expansion and growth. It would not raise interest rates as an end in itself. Without rejecting monetary stringency as a potential method of curbing extravagant booms, we would make more use of other tools.

"Secondly, and in this connection, we would use the budget as an instrument of economic stabilization. I believe that the budget should normally be balanced. The exception, apart from a threat to the national security, is serious unemployment. In boom times we should run a surplus and retire debt. When men and plant are unemployed in serious numbers, the opposite policies are in order. We must recognize the difficulty of balancing the budget when a recession is in swing. Nineteen-fifty-eight, with its twelve billion dollar deficit, is the most obvious example. But we should seek a balanced budget over the course of the business cycle with surpluses during good times more than off-setting the deficits which may be incurred during slumps.

"In the long run this policy will be less costly. By curtailing consumption rather than investment in boom times, and by alleviating the impact of recessions, it will be more encouraging to investment and growth than Republican monetary policies.

"I should emphasize in this regard the necessity for accurate forecasting and interpretation. So strong was the emphasis on inflation in the fall of 1957 by Secretary Humphrey and the Administration that the Federal Reserve Board decision to tighten credit at the beginning of the 1957 recession certainly intensified the later economic slump. By a more realistic appraisal of economic forces we can lessen the intensity of serious recessions.

"I submit that this is not a radical fiscal policy. It is a highly conservative one.

The Reserves Proper Status

"But we must have a flexible, balanced, and above all, coordinated monetary and fiscal policy. I do not, let me make clear, advocate any changes in the constitution of the Federal Reserve System. It is important to keep the day-to-day operations of the Federal Reserve removed from political pressures. The President's responsibility—if he is to lead—includes longer range coordination and direction of economic policies, subject to our system of checks and balances. And I believe the Federal Reserve Board — which during the last eight years has cooperated closely with this Administration — would also cooperate with future strong and well considered Presidential leadership which expresses the responsible will of Congress and the people."

* * *

The Reserve's Philosophy

Whatever the verdict on this credo, it is notable in its conformity to the Fed's own thinking. The Board has been contending constantly that it is being asked to carry too much of the load in carrying-out economic policy.

"As between high interest rates and the paralyzing effect of inflation, whether 'creeping' or 'galloping,' the choice would seem to be clear," says the Federal Reserve Bank of New York in its annual report covering 1959. "Yet why should the choice have to be made between only these alternatives? Leaving aside the paradox that a continuing inflation, once it got started, would drive interest rates even higher, the developments in 1959 nonetheless raised a trouble-question as to *how high interest rates might eventually go if monetary policy were to carry a large part of the burden of resisting inflation in the decade ahead as it had in the decade just completed.* [Italics added.]

A Hobson's Choice

"Is it necessary in the decade ahead that the Federal Reserve System should have to choose between policies that lead to disturbingly high interest rates, on the one hand, or acquiescence in monetary inflation, on the other?

"The record of the 1950s suggests," the Reserve Bank's officials, in step with Kennedy, conclude, "that an important step toward achieving more rapid growth, broad price stability, *and* lower interest rates would be an improved 'policy mix'—in which monetary policy would receive increased support from fiscal policy and in which there would be more effective restraints upon abuses in the exercise of concentrated economic power by private groups."

The Senator's Non-Conformist Positions

Along with the Kennedy-Reserve "Accord," *difference* between the re-stated Kennedy and Reserve Board positions is registered in two phases. First, while the Democratic candidate contends that the Reserve administrators have followed a bias toward a high interest rate, for its sake: the Board insists that it wants credit as cheap as possible, consistent with anti-inflation and other crucial economic and fiscal exigencies.

Second, while Senator Kennedy maintains (as again in his Columbus speech on Oct. 17) that the major beneficiaries of "high money" are "the bankers" and "big business"; the Reserve officials contend that, ever since the "economic revolution of the Nineteen-Thirties," the more numerous and important recipients of raised interest yields are the small individual savers, ranging from the Savings Bond holders to the participants in Social Security, pension funds, thrift accounts, etc.

* * *

The Gold-Drain—and the Interest Rate

Senator Kennedy, also in his above-quoted Business Publications speech, expressing his concern over our balance of payments and the recent drain on our gold stock. This week's six-year record high discount on the dollar in the London gold market is one more event accentuating the importance of this problem. He listed as the causes factors bearing on our export surplus, foreign aid and related pressures, and out-of-the-market-pricing, as follows:

"Finally, there is proper concern about our balance of payments and the recent drain upon our gold. It is vital that we keep our exports well ahead of imports in order to cover our commitments abroad — our military forces around the world, our diplomatic obligations, our military aid, and our assistance to underdeveloped nations. This is essential to our national power—for a country with a weak balance of payments, like a man with a poor cash position, has little freedom of action.

"Our foreign commitments must be kept flexible and efficient — adjusting to strategic change and reducing waste and mismanagement. But there is still no substitute—for the nation as well as the individual—for a good cash position; and the difference between our exports and imports today (although somewhat better than last year) is not great enough. We have not done enough with automation, modernization, and new opportunities abroad. And we have been pricing ourselves out of too many markets—partly from a capital plant less efficient than many of those rebuilt in postwar Europe — but also from inflationary tendencies which have pushed some prices, some wages, and some other costs up too far too fast. Large increases in the price of steel have played a particularly major role."

Omitted in this conventional recital by the Senator of the facts-of-balance-of-payments life, as it was also by the Vice-President and himself in the following evening's (Oct. 13) TV debate, was the role of an adequate interest rate to compete for foreign funds. (Did Mr. Nixon miss the political boat here in failing to tie the low interest rate philosophy to gold loss?)

Investment Possibilities In the American Economy

By Dr. Heinz H. Biel,* Partner, Emanuel, Deetjen & Co. New York City

Wall Street partner believes growth stocks, as he defines them, are the preferable long range investment; calls attention to the market's emphasis on earnings—present and especially projected future earnings—to high yields; and predicts stocks have seen their worst and are approaching a good value level unless we run into a business recession. Dr. Biel informs his European audience, in his review of the American economic scene, that he doubts our dollar is in immediate danger, or that we would tinker with the price of gold, and he avers that Federal Reserve policy will continue regardless of the November 8th election results. He provides a yardstick as to how to use price-earnings ratios flexibly. The author concludes that the majority of good American stocks are selling at a more reasonable level than those of Western Europe.

When I was in Europe a year ago the world was still under the influence of the "Spirit of Camp David." For a while it seemed as if at least a basis for cooperation, if not for understanding had been reached. Needless to say, this spirit died in Paris last May.

Heinz H. Biel

Russia instead has become increasingly nasty, taking every advantage of any situation to annoy us, to provoke us, to embarrass us and to put us on the defensive. Because we believe our motives to be pure and our intentions to be unselfish, we often find it difficult to counter the Soviets' impertinence. In this crucial East-West conflict it does not help that diplomatically we are comparatively inexperienced and on occasion naive. However, as a result of this renewed tension, there is now complete unanimity among us, whether we are Democrats or Republicans, that the United States must be militarily strong, as strong as our resources can make her. This is a significant change from a year ago: all of us are thoroughly disillusioned, even those who had faint hopes for a rapprochement, for a *modus vivendi*, with Russia. Armament expenditures not only are not going to decline, but will be increased. The mood of the American people is that we must spend as much as is necessary—even if it means higher taxes.

In a few weeks we will elect a new President. Considering the unparalleled power of this position, one would think that this election is of momentous importance in determining the course our country is going to take. Strangely enough, it isn't.

Although I have lived the greater part of my life in America, I am still amazed at the comparative narrowness of the gulf that separates the Presidential candidates of the two parties. Here it is not a matter of "Weltantschauung," not a question of Conservatives versus Socialists. There are many arch-reactionaries among the Democrats in the South, and there are a great many dreamy-eyed liberals among our Northern Republicans. If one compares the platforms of the two parties, not only this year but in earlier elections too, one finds great similarity of the basic objectives. The proposed means of attaining them may differ, but the differences are not deeply fundamental. Many people are in a quandary for whom to vote up to the moment when they face the voting machine. Would this be conceivable in England or Germany, in France or Italy?

Mr. Nixon is a man of modest means who has made his career in politics; he is presumed to be "conservative." Mr. Kennedy who also made his career in politics is a multimillionaire's son; he is presumed to be "liberal." Both of them have to tend towards the center in order to attract the independent vote. If Nixon should be elected, he may not turn out to be quite as conservative as some people hope, and Kennedy, if he should come out on top, most likely is not going to be as radical as it is feared. Just to see American politics in perspective, remember that it was a Republican Administration which was responsible for a record breaking peacetime Federal budget deficit of over $12 billion to bail us out of the comparatively moderate 1957-58 recession.

Our Gold Flow Problems

Once again Europe is concerned about the dollar. The renewed outflow of gold and the unusual premium price paid for it in London have rekindled the apprehension which also existed a year ago.

Although we still hold almost as much gold as the rest of the free world combined and about six times as much as Great Britain, it is feared that even these huge reserves may not be adequate in relation to foreign holdings of liquid dollar assets which are estimated to exceed $18 billion. Since about $11 billion of gold is required as statutory monetary reserves, our so-called free gold is less than $8 billion. From a banking point of view this is ample, of course, provided that confidence remains unimpaired.

Our large gold losses in 1958 and 1959, totaling $3.3 billion, reflected our heavy balance of payments deficits in those two years ($3.6 and $3.8 billion, respectively) as well as a degree of distrust in our economic policies which we pursued in order to arrest and reverse the business recession of 1957-58—cheap credit and a huge budget deficit. To restore confidence both the Federal Reserve and the Eisenhower Administration took prompt and, I may say, highly successful steps to reassure the world of our determination to maintain the value of the dollar. Credit was tightened, interest rates raised, and the budget balanced. The outflow of gold came to a halt.

A few months ago the FRB which had continued to keep credit fairly tight in order to restrain the anticipated boom (which never materialized), reversed its policy lest it be blamed of causing a business slowdown or even a recession. In several steps, following each other in rapid succession, it lowered the rediscount rate twice, reduced bank reserve requirements and cut the stock market margin from 90 to 70%. These timely and prophylactic actions were designed to stimulate our economy which had been showing signs of faltering. We hope, but we are not certain, that this form of preventive medicine will work. Meanwhile we are losing gold once more. But the reason is not lack of confidence in the dollar, as had been the case in 1958-59 but the lure of higher interest rates abroad. As you know, both West Germany and Switzerland have already taken steps to protect themselves against the inflow of yield-hungry temporary funds. while the British are using them to prepay their debt to the International Monetary Fund. I don't think anybody knows the size of these shifty funds which might leave the U. S. to seek a higher return elsewhere. It would seem to me that the ability of foreign money market to absorb them is limited. and that the outflow of gold will dry up, unless the discrepancy of interest rates becomes even greater, or unless this increasing drain on our gold causes a renewed fear that our reserves will prove inadequate and may eventually force us to raise the price of gold.

Is it not a strange twist of history that the U. S. should find itself in this position that the soundness of its currency is being questioned. It seems only like yesterday when we were worrying about the "dollar gap" and made strenuous efforts to redistribute our wealth among the impoverished nations of the world.

Reasons for Our Deficit

The principal causes for the deficit in our international payments are:

(1) foreign aid; (2) military expenditures all over the globe; (3) American private investments abroad; (4) spending by American tourists abroad; and (5) a reduced export surplus. The bulk of these expenditures reflect our worldwide responsibilities, military and economic. But, they are signs of **strength**, not of **weakness**. Of course, some of us feel that other countries which we have helped to regain their strength, should and could assume a much larger share of this burden than they now carry.

The major nations of Europe, realizing that a soft dollar would be a most serious international calamity, have taken some steps to alleviate our problem. Discriminatory restrictions against imports from America are being removed resulting in a notable increase in our exports this year with a probable surplus of $4 billion. France and England have been pre-paying dollar debts; Germany is providing substantial funds to the World Bank and is actively encouraging the export of capital, and so forth. Undoubtedly the community of interest is gaining general recognition.

Our trade balance, though improved, is still a problem. Our ability to compete pricewise in the world markets has become a serious question because of the great discrepancy of wage levels. Naturally we are shocked when a Swiss manufacturer can underbid General Electric and Westinghouse by a wide margin in contract for electric turbines, and I don't see how we can possibly bridge such gaps. We are also shocked that Remington Rand is transferring its entire non-electric typewriter production to Europe, which means, we are exporting jobs, not products, and that is not good. On the other hand, once our automobile industry woke up it did succeed in stemming the tide of foreign imports very quickly. Also, when Japan began to swamp our markets with cheap transistor radios, our engineers got busy and designed one that is at least as good and at least as cheap as the imported product. Sometimes competition is needed to force us into action. Looking at our balance of payments the picture is certainly not all bleak. I doubt very much that the dollar is in immediate danger and in my opinion there is no likelihood of a change in the price of gold in the foreseeable future.

Sees Federal Reserve Persevering

Because the Democrats in their campaign oratory are advocating cheap money and easy credit, and because they blame the comparatively slow rate of growth of the American economy on the tight credit policies of the Federal Reserve, there is widespread belief that Mr. Kennedy, if elected, will "fire" William McChesney Martin, the FRB's Chairman and the standard bearer of sound money. But Mr. Martin, a Democrat and a Truman appointee, can't be fired. His term as Chairman does not expire until April, 1963, and his term as a member of the Board runs until 1970. Of course, he might resign. Yet, Martin is not the kind of person to quit just to please the new President, especially if he should feel that his presence is essential for preserving the integrity of the dollar.

The FRB was intended to be independent and it is independent within the limits of sensible monetary practices. Obviously, the FRB can function only with the understanding and cooperation of the Secretary of the Treasury, and vice versa; it is almost unthinkable that these two forces would attempt to sabotage each other. Under present conditions I am strongly inclined to believe that the comparative conservatism of the FRB will prevail over any Administration policy that it considers dangerous or potentially harmful. In this respect I don't think it will make a great deal of difference whether Nixon or Kennedy occupies the White House. Furthermore not all of Kennedy's economic advisors endorse the theory that cheap credit is a cure-all or that it is essential to accelerate our economic growth.

Whether we like it or not, as bankers and investment advisors we are and we have to be in the forecasting business. It is fortunate

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TAX-EXEMPT BOND MARKET

BY DONALD D. MACKEY

As we approach this week's deadline, the tone of the state and municipal bond market shows some resistance to the downward tendency that has prevailed for the last month. This better feeling began to generate after the bid for the $69,550,000 Commonwealth of Massachusetts issue was rejected on Oct. 10. Thereafter, the $55,000,000 Commonwealth of Kentucky Turnpike issue was deferred and the $46,000,000 Dade County, Florida issue was postponed, reducing the new issue calendar to a lesser volume than has obtained at any time this year.

Inventory Reduced

During the past week certain investor interest has developed a demand that has reduced the *Blue List* total about $35,000,000. Important tax exempt bond buying had not been apparent since late summer as institutional investors resisted the price mark-ups that developed during August and early September. Now that prices have eased off the equivalent of from 10 to 15 basis points, in many instances it is apparent that institutional buyers and investors generally are beginning to make some necessary purchases.

However, the *Commercial and Financial Chronicle's* high grade state and municipal bond yield index stands at 3.342% as of Oct. 19, as against 3.338% a week ago. This would represent a net market decline of less than one-quarter of one point during this period. With the better tone, as reflected in today's bond market, this slight decline may have been more than overcome.

Factors Favoring Price Improvement

Technically, the state and municipal bond market seems approaching a circumstance conducive to further improvement, although the limits of such a movement would be difficult to meaningfully predict. The calendar will be abnormally light at least into the middle of November, it would now seem. This in itself is a favorable market factor. Moreover, inventory seems now to have passed the zenith for a while at least.

As shown by the *Blue List*, the high for state and municipal bonds as reached last week was about $425 million. The figure currently is considerably below $395 million. Analysis would indicate that some institutional buying has cautiously been transacted. Buying usually begets buying and the general inventory level may be considerably reduced during the next few weeks as deferred seasonal investment needs are partly caught up with.

Pennsylvania Issue Well Received

As we go to press the State Public School Building Authority of the Commonwealth of Pennsylvania has awarded $21,300,000 school lease revenue (1961-2000) bonds to a group headed by Drexel & Co., Harriman Ripley & Co., Inc., First Boston Corp., Kidder Peabody & Co. and a large group of investment bankers. The bonds were scaled to yield from 1.75% to 4.30% in 1990. The 2000 maturity was priced to yield 4.50% bearing a 1% coupon. Group orders totaling close to $10,000,000 were reported before the order period had ended.

A highly successful underwriting appears in prospect, with indications that over three quarters of the bonds would be sold speedily.

Other Important Awards

The week's second largest award was made on Tuesday when the $15,000,000 Chicago, Ill., Board of Education (1962-1980) bonds were won by a large group headed by Morgan Guaranty Trust Co., Halsey Stuart & Co., Lehman Brothers, Kuhn Loeb & Co. and Phelps, Fenn & Co. The reoffering was made at prices to yield 2.10% to 3.70% and the investor reception was reported as fairly good. Latest balance is reported to be about $7,000,000.

On the same day Los Angeles County, California awarded $10,000,000 Flood Control District (1962-1989) bonds. This highly rated issue of general obligation bonds was bought by the group led by Lehman Brothers, Harriman Ripley & Co., Blair & Co., Kidder Peabody & Co., and including many other investment bankers. Yields were scaled from 1.90% to 3.85%. The generous return is largely based upon the heavy volume of California bonds in the market. Balance is reported about $4,500,000.

The past week's other general market issues were of lesser importance and were of considerably smaller volume. On Thursday, Oct. 12, St. Petersburg, Florida awarded $5,000,000 Special Tax (1961-1982) certificates, payable from a cigarette tax. The use of cigarettes is taxed by city ordinance and collected by the Beverage Department of the State of Florida which remits same to the city. The bonds, priced to yield from 2.50% to 4.40% were won by a group headed by John Nuveen & Co., Ira Haupt & Co., Goodbody & Co., Equitable Securities Corp., Francis I. DuPont & Co., and included several other firms. The balance is down to $1,900,000.

On the same day another significant security came to market. Wayne County, Michigan awarded $2,500,000 Airport special facility revenue (1963-1984) bonds to a group of underwriters including F. S. Smithers & Co., Ira Haupt & Co., Goodbody & Co., J. C. Bradford & Co., Rand & Co., Tripp & Co., Inc., and several others. The bonds were priced to yield from 2.50% to 4.10% and met with favorable investor reception; at present the balance being $1,000,000.

Under the terms of the ordinance, Wayne County is obligated to advance monies from its General Fund to meet principal and interest payments on these bonds should the lease payments due from Delta Airlines, Inc. and Northwest Airlines Inc. pledged to the bonds, be insufficient.

Also last Thursday the City of Frankfort, Indiana sold $2,500,000 Electric Utility Revenue (1964-1981) bonds to the group headed by John Nuveen & Co., City Securities Corp., William Blair & Co., First of Michigan Corp., and others. The bonds were priced to yield from 2.60% to 3.80%. The issue met with fair investor reception, the present balance being less than $1,200,000.

Two interesting revenue issues came to market on Monday of this week. The group headed by Ira Haupt & Co. and Dominick & Dominick was awarded $1,400,000 Atlanta, Georgia water revenue (1961-1980) bonds. This highly rated issue of bonds was priced to yield from 1.75% to 3.40%. Investor reception was good, there being a balance of less than $600,000 at this writing. Another issue involved $4,000,000 City of Dallas, Texas water and sewer (1961-1980) bonds. The winning group was co-managed by Shields & Co. and Glore Forgan & Co. The reoffering was made at prices to yield from 1.60% to 3.40%. This issue is reported to be about two-thirds sold.

An attractive issue of $2,200,000 Marion County, Florida general obligation (1962-1985) bonds was also awarded on Tuesday. This County is in the north central area of Florida, with Ocala the County seat. The bonds were scaled to yield from 2.75% to 4.00%. The issue met with considerable investor approval, there being only $440,000 left in the account at present. Merrill Lynch, Pierce, Fenner & Smith, Inc., Ira Haupt & Co. and Dominick & Dominick were the principal underwriters.

Dollar Bonds Improved

The dollar quoted revenue issues have fluctuated in the same pattern during the past week as have general obligation bonds. The *Smith Barney & Co.* Toll Road bonds Index stood at 3.87% on Oct. 13, the last reporting date. The week before the yield index had been at 3.85%. For that pe- one-quarter of a point. Since Oct. 13, the market for this category of bonds has improved somewhat. Many issues were up from one-quarter to one-half of a point at yesterday morning's opening.

The recently issued Chesapeake Bay Bridge and Tunnel District, Virginia 5¾% bonds have fluctuated dramatically during the past few weeks. From an issue price of par the quotation went as low as 89-90; it is now reported to be 95½-96.

MARKET ON REPRESENTATIVE SERIAL ISSUES

	Rate	Maturity	Bid	Asked
California (State)	3½%	1978-1980	3.80%	3.70%
Connecticut (State)	3¾%	1980-1982	3.35%	3.25%
New Jersey Highway Auth., Gtd.	3%	1978-1980	3.35%	3.20%
New York (State)	3%	1978-1979	3.15%	3.05%
Pennsylvania (State)	3⅜%	1974-1975	3.00%	2.90%
Vermont (State)	3⅛%	1978-1979	3.15%	3.05%
New Housing Auth. (N. Y., N. Y.)	3½%	1977-1980	3.30%	3.20%
Los Angeles, Calif.	3¾%	1978-1980	3.80%	3.70%
Baltimore, Md.	3¼%	1980	3.40%	3.30%
Cincinnati, Ohio	3½%	1980	3.30%	3.20%
New Orleans, La.	3¼%	1979	3.70%	3.60%
Chicago, Ill.	3¼%	1977	3.85%	3.70%
New York City, N. Y.	3%	1980	3.75%	3.70%

Oct. 19, 1960 Index=3.3423%

Larger Issues Scheduled For Sale

In the following tabulations we list the bond issues of $1,000,000 or more for which specific sale dates have been set.

Information, where available, includes name of borrower, amount of issue, maturity scale, and hour at which bids will be opened.

Oct. 20 (Thursday)			
Bath, Cameron, etc., Central Sch. District No. 2, New York	1,255,000	1961-1990	2:00 p.m.
New Orleans, Louisiana	9,600,000	1962-1985	10:00 a.m.
Oct. 21 (Friday)			
Central Washington College, Wash.	1,446,000	--------	8:00 p.m.
Oct. 24 (Monday)			
Garfield Heights City Sch. Dist., Ohio	1,000,000	1962-1981	1:00 p.m.
Oct. 25 (Tuesday)			
Anaheim Union High School Dist., California	2,350,000	1961-1980	11:00 a.m.
Boston, Massachusetts	4,200,000	1961-1980	Noon
Farmington, Connecticut	1,750,000	1961-1980	2:00 p.m.
Olean, New York	1,225,000	1961-1988	3:00 p.m.
Torrance Unified Sch. Dist., Calif.	2,000,000	1961-1980	9:00 a.m.
Vineland, New Jersey	4,200,000	1961-1980	Noon
West Lafayette Junior High School Building Corporation, Indiana	1,400,000	1963-1990	1:00 p.m.
Oct. 26 (Wednesday)			
Ashland School District, Ohio	3,450,000	1961-1982	Noon
Clark Township, New Jersey	1,035,000	1962-1970	8:00 p.m.
Roanoke County, Virginia	1,000,000	1961-1980	Noon
Rochester Special School District No. 4, Minnesota	2,500,000	1962-1978	2:00 p.m.
San Juan Unified Sch. Dist., Calif.	4,270,000	1962-1984	10:00 a.m.
Oct. 27 (Thursday)			
Consumers Public Pwr. Dist., Neb.	1,500,000	1964-1990	Noon
Saginaw Township Community School District, Michigan	2,975,000	1962-1989	7:30 p.m.
Oct. 28 (Friday)			
Minneapolis, Minnesota	3,400,000	1989	4:30 p.m.
Oct. 31 (Monday)			
Rochester Comm. Sch. Dist., Mich.	1,600,000	1961-1986	8:00 p.m.
Nov. 1 (Tuesday)			
Berea City School District, Ohio	1,500,000	1962-1982	Noon
Bloomington, Minnesota	3,000,000	1963-1982	5:00 p.m.
Cook County, Illinois	25,000,000	1961-1975	11:00 a.m.
Grossmont Union High Sch. Dist., California	1,750,000	1962-1980	10:30 a.m.
Mecklenburg County, No. Carolina	5,000,000	1962-1987	11:00 a.m.
Montgomery County, Ohio	1,243,000	1961-1981	Noon
Northern Burlington County Regional School District, N. J.	1,210,000	1961-1981	8:00 p.m.
St. Cloud, Florida	1,000,000	1961-1990	11:00 a.m.
Nov. 2 (Wednesday)			
St. Clair School District, Michigan	1,325,000	1963-1987	7:30 p.m.
University of Kentucky	8,000,000	1962-1986	1:00 p.m.
Youngstown City Sch. Dist., Ohio	1,960,000	1962-1980	1:00 p.m.
Nov. 3 (Thursday)			
Santa Clara, California	5,650,000	1961-1985	8:00 p.m.
Trenton, New Jersey	10,875,000	--------	11.00 a.m.
Nov. 7 (Monday)			
Coahoma County Sch. Dist., Miss.	1,200,000	1962-1981	2:00 p.m.
Nov. 9 (Wednesday)			
Mississippi	12,000,000	1961-1980	10:00 a.m.
Nov. 10 (Thursday)			
Hampton, Virginia	2,000,000	1961-1980	Noon
Odessa, Texas	2,836,000	--------	2:30 p.m.
Nov. 14 (Monday)			
South Euclid-Lyndhurst City Sch. District, Ohio	1,050,000	1962-1982	1:00 p.m.
Nov. 15 (Tuesday)			
Hudson County, New Jersey	5,096,000	1961-1985	Noon
*New York State Housing Finance Agency, New York	100,000,000	--------	--------
*Negotiated sale to be underwritten by a syndicate managed by Phelps, Fenn & Co., and including, among others, Lehman Bros., Smith, Barney & Co., Inc., and W. H. Morton & Co., Inc.			
Port of Los Angeles, California	14,000,000	1963-1985	--------
Tennessee Valley Authority, Tenn.	50,000,000	--------	--------
Nov. 18 (Friday)			
University of California, Calif.	3,700,000	1961-1988	10:00 a.m.
Nov. 21 (Monday)			
Maricopa County, Scottsdale Sch. District, Arizona	3,945,000	1961-1974	11:00 a.m.
Nov. 22 (Tuesday)			
Cajon Valley Union School Dist., California	1,220,000	--------	--------
Dec. 6 (Tuesday)			
San Diego Unified Sch. Dist., Calif.	10,000,000	1963-1982	--------
Dec. 7 (Wednesday)			
Fairfax County, Virginia	8,500,000	1962-1988	--------
Dec. 13 (Tuesday)			
Los Angeles County Hospital Dist. California	7,000,000	--------	--------

This announcement is under no circumstances to be construed as an offering of these bonds for sale or as a solicitation of an offer to buy any of these bonds, and is published in any state on behalf of only such of the underwriters, including the undersigned, as may legally offer these bonds in such state. The offer of these bonds is made only by means of the Official Statement.

NEW ISSUE

$21,300,000

State Public School Building Authority (Commonwealth of Pennsylvania)

School Lease Revenue Bonds, Series C

Dated November 1, 1960 — Due November 1, 1961-2000 inclusive, as shown below

The Bonds are subject to redemption prior to maturity at the option of the Authority as a whole or in part, in the inverse order of their maturities, on November 1, 1970, or on any date thereafter, or pursuant to the requirements of the Indenture, as supplemented, in part in the inverse order of their maturities on November 1, 1965, or on any date thereafter on 30 days' prior notice, in accordance with the following schedule of prices and dates: at 103 beginning on November 1, 1965 and thereafter to and including October 31, 1968; at 102½ thereafter to and including October 31, 1971; at 102 thereafter to and including October 31, 1974; at 101½ thereafter to and including October 31, 1976; at 101 thereafter to and including October 31, 1978; at 100½ thereafter to and including October 31, 1980; and at 100 thereafter; plus, in each case, accrued interest to the date fixed for redemption.

Principal and semi-annual interest (May 1 and November 1) payable at Mellon National Bank and Trust Company, Pittsburgh, Pennsylvania, or, at the option of the holder at Provident Tradesmens Bank and Trust Company, Philadelphia, Pennsylvania, or at The First National City Bank of New York, New York City. Coupon Bonds in the denomination of $1,000, registrable as to principal only or registered Bonds without coupons in the denomination of $1,000 and any integral multiple thereof, interchangeable.

Interest exempt, in the opinion of counsel, from Federal Income Taxes under present statutes and decisions. The State Public School Building Authority Act of 1947, as amended, provides that the Bonds, their transfer and the income therefrom (including any profits made on the sale thereof), are exempt from taxation, other than inheritance and estate taxation, within the Commonwealth of Pennsylvania. The Act provides that the Bonds are authorized investments for fiduciaries within the Commonwealth of Pennsylvania.

The Bonds are direct and general obligations of the Authority and all the Bonds issued and to be issued will be secured by the full faith and credit of the Authority, and by the pledge, to the extent provided in the Indenture, as supplemented, of all revenues, rentals and receipts of the Authority, including all rentals payable by the School Districts of the Commonwealth of Pennsylvania pursuant to Agreements and Leases and contracts to lease and leases, as said terms are defined in the Indenture, in respect of Projects, as said term is defined in the Indenture, and all right, title and interest of the Authority in and to said Agreements and Leases and contracts to lease and leases with respect to said Projects, including any amounts payable to the Authority by the Superintendent of Public Instruction of the Commonwealth of Pennsylvania (or person holding similar office) by reason of the failure of any School District to provide for the payment of any rental or rentals to the Authority under said Agreements and Leases and contracts to lease and leases.

Neither the credit nor the taxing power of the Commonwealth of Pennsylvania or any of its School Districts is pledged for the payment of the principal of, or interest on the Bonds; nor shall the Bonds be deemed to be obligations of the Commonwealth or of any of its School Districts; nor shall the Commonwealth or any of its School Districts be liable for the payment of principal or interest on the Bonds.

The Bonds are offered when, as and if issued and received by us and subject to an unqualified approving joint legal opinion by Messrs. Burgwin, Ruffin, Perry & Pohl, Pittsburgh, Pennsylvania and Messrs. Townsend, Elliott & Munson, Philadelphia, Pennsylvania. It is expected that delivery of the Bonds in definitive coupon form will be made on or about November 22, 1960.

Principal Amount	Interest Rate	Due	Yield to Maturity (or Price)	Principal Amount	Interest Rate	Due	Yield to Maturity (or Price)	Principal Amount	Interest Rate	Due	Yield to Maturity (or Price)
$ 80,000	6%	1961	1.75%	$380,000	3¾%	1974	100	$ 695,000	4.10%	1988	100
85,000	6	1962	2.25	395,000	3.90	1975	3.80%	730,000	4.10	1989	100
500,000	6	1963	2.50	415,000	3.90	1976	3.80	760,000	4.10	1990	4.15%
250,000	6	1964	2.75	435,000	3.90	1977	3.85	795,000	4.10	1991	4.15
265,000	6	1965	3.00	455,000	3.90	1978	3.85	830,000	4.10	1992	4.15
275,000	6	1966	3.20	475,000	3.90	1979	100	870,000	4.20	1993	100
285,000	6	1967	3.40	500,000	3.90	1980	100	910,000	4.20	1994	100
295,000	6	1968	3.50	520,000	3.90	1981	3.95	950,000	4.20	1995	100
310,000	6	1969	3.60	545,000	3.90	1982	3.95	995,000	4.20	1996	100
320,000	6	1970	3.70	565,000	4	1983	100	1,043,000	4.20	1997	100
335,000	4.60	1971	3.70	585,000	4	1984	100	690,000	3½	1998	4.30
350,000	3¾	1972	3.70	610,000	4	1985	4.05	720,000	3½	1999	4.30
365,000	3¾	1973	100	640,000	4	1986	4.05	412,000	1	2000	4.50
				665,000	4.10	1987	100				

(accrued interest to be added)

For information relating to the State Public School Building Authority and to these bonds, reference is made to the Official Statement of the State Public School Building Authority which should be read prior to any purchase of these bonds. The Official Statement may be obtained in any state from only such of the underwriters, including the undersigned, as may legally offer these bonds in such state.

Drexel & Co. — Harriman Ripley & Co. Incorporated — The First Boston Corporation — Kidder, Peabody & Co.

Smith, Barney & Co. — Blyth & Co., Inc. — Phelps, Fenn & Co. — B. J. Van Ingen & Co. Inc.

White, Weld & Co. — Equitable Securities Corporation — Alex. Brown & Sons — A. C. Allyn and Company Incorporated

Carl M. Loeb, Rhoades & Co. — Wertheim & Co. — Lee Higginson Corporation — F. S. Moseley & Co.

Stroud & Company Incorporated — Yarnall, Biddle & Co. — Hemphill, Noyes & Co. — Dominick & Dominick

W. E. Hutton & Co. — Shearson, Hammill & Co. — Reynolds & Co. — Bacon, Whipple & Co. — Hallgarten & Co.

Schaffer, Necker & Co. — A. G. Becker & Co. Incorporated — American Securities Corporation — Wood, Struthers & Co.

First of Michigan Corporation — Roosevelt & Cross Incorporated — Rand & Co. — Barr Brothers & Co.

Bacon, Stevenson & Co. — Estabrook & Co. — Auchincloss, Parker & Redpath — Schmidt, Roberts & Parke

Tucker, Anthony & R. L. Day — Julien Collins & Company — Granbery, Marache & Co. — J. A. Hogle & Co.

Stein Bros. & Boyce — Ernst & Company — Cooley & Company — Stern, Lauer & Co.

October 20, 1960.

DEALER-BROKER INVESTMENT LITERATURE AND RECOMMENDATIONS

IT IS UNDERSTOOD THAT THE FIRMS MENTIONED WILL BE PLEASED TO SEND INTERESTED PARTIES THE FOLLOWING LITERATURE:

Aluminum Industry — Analysis—Bache & Co., 36 Wall Street, New York 5, N. Y. Also available are reviews of **Servel, Inc.** and **Apparel Stocks.**

Bank Stock Notes — Circular on leading New York City Banks—Laird, Bissell & Meeds, 120 Broadway, New York 5, N. Y.

British and German Government Bonds—Review—New York Hanseatic Corpration, 120 Broadway, New York 5, N. Y. Also available is a memorandum on **Allyn & Bacon.**

British Government Bonds — Report—Winslow, Cohu & Stetson, Inc., 26 Broadway, New York 4, N. Y.

Common Stock Comparisons—Comparative figures — Equitable Brokers Limited, 60 Yonge Street, Toronto 1, Ont., Canada. Also available is a review of **Overland Express.**

Comparison of Prices Set by Federal Power Commission in its Statement of General Policy with prices actually being paid in 1959—Boni, Watkins, Jason & Co. Incorporated, 80 Pine Street, New York 5, N. Y. Also available is a **Comparative Summary of Views on Cost of Service in the Phillips Case.**

Canadian Market—Review—Wills, Bickle & Company Ltd., 44 King Street, West, Toronto 1, Ont., Canada.

Connecticut National Bank — Quarterly report—The Connecticut National Bank, 888 Main St., Bridgeport, Conn.

Dayton Malleable Iron Company—Annual report—Dayton Malleable Iron Company, Dayton 1, Ohio.

Electric Utility Industry—Review—The Milwaukee Company, 207 East Michigan Street, Milwaukee 2, Wis.

European Securities — Discussion in current issue of "Investor's Reader" — Merrill Lynch, Pierce, Fenner & Smith Incorporated, 70 Pine Street, New York 5, N. Y. Also in the same issue are discussions of **Newport News Shipbuilding, Diamond Alkali, Pfaudler Permutit Inc., Leesona Corp., H. J. Heinz Company, McLouth Steel, General Dynamics, Mead Johnson.**

Favored Common Stocks—Review—Eastman Dillon, Union Securities & Co., 15 Broad Street, New York 5, N. Y.

Favorite Fifty—Selected securities—Van Alstyne, Noel & Co., 40 Wall Street, New York 5, N. Y.

Japanese Market — Review—Yamaichi Securities Co. of New York, Inc., 111 Broadway, New York 6, N. Y. Also available are analyses of the Japanese **Chemical Textile Industry, Hitachi Machinery Co., Ltd., Teikoku Rayon Co., Ltd.,** and a discussion of Tax Liabilities for Foreign Investors.

Japanese Stock Market — Survey—Nomura Securities Co., Ltd., 61 Broadway, New York 6, N. Y. Also available is a discussion of the new administrative amendment to the foreign investment law of Japan and analyses of **Sony, Mitsui Bussan, Fuji Electric Manufacturing, Nippon Steel Tube, Isuzu Motor, Toyo Rayon, Toyota Motor, Mitsui Chemical Industry,** and **Kirin Breweries.**

New York City Bank Stocks—Quarterly review—A. M. Kidder & Co., Inc., 1 Wall Street, New York 5, N. Y. Also available are reports on **Southern Pacific Co.** and **Cenco Instruments,** a bulletin on **Domestic Oils,** and a memorandum on **Richfield Oil.**

New York City Banks—Comparative figures on the 10 largest banks in New York City—Bankers Trust Company, Bond Department, 16 Wall Street, New York 15, N. Y.

Over-the-Counter Index — Folder showing an up-to-date comparison between the listed industrial stocks used in the Dow-Jones Averages and the 35 over-the-counter industrial stocks used in the National Quotation Bureau Averages, both as to yield and market performance over a 20-year period — National Quotation Bureau, Inc., 46 Front Street, New York 4, N. Y.

Paper Companies — Review with particular reference to **Kimberly Clark, Union Bag-Camp Paper** and **Minnesota & Ontario Paper** — H. Hentz & Co., 72 Wall Street, New York 5, N. Y. Also available is an analysis of **Deere & Company** and lists of depressed stocks and **Railroad Bonds for Income and Appreciation.**

Paper Industry — Bulletin — Reynolds & Co., 120 Broadway, New York 5, N. Y. Also available is a bulletin on **International Nickel Company of Canada.**

Peterson Electronic Die Co., Inc.—Report—G. K. Shields & Co, 15 William St., New York 5, N. Y.

Republic Supply Company of California — Annual and interim reports — Republic Supply Company of California, Paul L. Pease, Vice-President Finance, P. O. Box 2137, Terminal Annex Los Angeles 54, Calif.

Revenue Bond Projects—Progress Smith, Barney & Co., 20 Broad Street, New York 5, N. Y.

Southwestern Electric Service Co.—Annual and quarterly reports—Southwestern Electric Service Co. Mercantile Bank Building, Dallas, Texas.

Special Situations—Selected issues—George, O'Neill & Co., Inc., 30 Broad Street, New York 4, N. Y.

Stocks for Investment—Discussion—Hemphill, Noyes & Co., 15 Broad Street, New York 5, N. Y.

Tax Switch Suggestions—Brochure—Carl M. Loeb, Rhoades & Co., 42 Wall Street, New York 5, N. Y. Also available is a pamphlet for computing **1960 Capital Gains & Losses,** an analysis of **Brunswick Corporation** and reviews of **First-america Corporation, Ryder System, Metropolitan Broadcasting, Ampex Corp., Wallace & Tiernan Inc., Broadway-Hale Stores, St. Joseph Lead Company,** and **H. J. Heinz Company.**

Textbook Industry—Review with particular reference to **Holt, Rinehart & Winston**—Carreau & Company, 115 Broadway, New York 6, N. Y. Also available is a report on **Black & Decker Mfg.** and an analysis of **Wallace & Tiernan.**

Toronto Stock Exchange Commission Rates—Card—Cochran, Murray & Hay, Ltd., Dominion Bank Building, Toronto, Ont., Canada.

* * *

Apm, Inc.—Report—J. R. Williston & Beane, 2 Broadway, New York 4, N. Y. Also available is a memorandum on the **Photography Industry.**

Aldens, Inc.—Report—Schweickart & Co., 29 Broadway, New York 6, N. Y.

American Brake Shoe Co.—Data—J. A. Hogle & Co., 40 Wall Street, New York 5, N. Y. Also available are data on **Diamond National Corp., Freeport Sulphur Co., Great American Insurance Co., International Silver Co., R. H. Macy & Co., Monsanto Chemical Co., Olin Mathieson Chemical Corp., Pacific Lighting Corp., Parke, Davis & Co., Pittsburgh Plate Glass Co., Pure Oil Co., Sears, Roebuck & Co.,** and **Security First National Bank of Los Angeles.**

American Broadcasting-Paramount Theatres, Inc.—Analysis—Newburger, Loeb & Co., 15 Broad Street, New York 5, N. Y.

American Ice Company—Analysis—Hardy & Co., 30 Broad Street, New York 4, N. Y.

American Telephone & Telegraph—Review—Stearns & Co., 72 Wall Street, New York 5, N. Y. Also in the same circular is a review of **Eldon Industries.**

Anken Chemical — Review — Ira Haupt & Co., 111 Broadway, New York 6, N. Y. Also available is a review of **Deflated Stocks.**

Arkansas Louisiana Gas—Data—Ralph E. Samuel & Co., 2 Broadway, New York 4, N. Y. In the same circular are also data on **Philadelphia & Reading, Thompson Ramo Wooldridge, American Machine & Foundry, Martin Co.** and **Philips Lamps.**

Arkansas Louisiana Gas—Data—Penington, Colket & Company, 70 Pine Street, New York 5, N. Y. Also in the same circular are data on **Columbian Carbon, Columbia Broadcasting, Goodyear Tire & Rubber, Kern County Land, Marine Midland Corp.** and **Tennessee Gas Transmission.**

Atlantic Refining—Review—L. F. Rothschild & Co., 120 Broadway, New York 5, N. Y. Also in the same circular is a discussion of **Natural Gas.**

Bagdad Cooper Corporation—Bulletin—Paine, Webber, Jackson & Curtis, 25 Broad Street, New York 4, N. Y. Also available are comparative figures on **Public Utility Stocks,** and data on **Long Island Lighting, United Artists, Amp Inc.,** and **Southern Railway.**

Belco Petroleum Corporation — Bulletin — De Witt Conklin Organization, Inc., 120 Broadway, New York 5, N. Y.

Beneficial Standard Life Insurance Company — Analysis — Charles A. Taggart & Co., Inc., 1516 Locust Street, Philadelphia 2, Pa.

Beneficial Standard Life—Report—Robert H. Huff & Co., 210 West Seventh Street, Los Angeles 14, Calif. Also available are reports on **Nationwide Corporation** and **Von Hamm-Young Company.**

Benson Lehner Corporation—Analysis—Hooker & Fay, Inc., 221 Montgomery Street, San Francisco 4, Calif.

Benson Lehner Corp.—Memorandum—First California Company, 300 Montgomery Street, San Francisco 4, Calif.

Black & Decker Manufacturing Company — Report — Robert Garrett & Sons, Garrett Building Baltimore 3, Md.

Borden Company — Analysis—Hornblower & Weeks, 40 Wall St., New York 5, N. Y. Also available are data on **Chance Vought, Creole Petroleum, Electric Bond & Share** and **Grumman Aircraft,** and an analysis of the **Steel Outlook.**

Carnation Company — Analysis—Dreyfus & Co., 2 Broadway, New York 4, N. Y.

L. E. Carpenter—Memorandum—Allen & Company, 30 Broad St., New York 4, N. Y.

Carrier Corporation — Review—Boenning & Co., 1529 Walnut St., Philadelphia 2, Pa.

Chance Vought — Memorandum—H. N. Whitney, Goadby & Co., 15 Broad Street, New York 5, N. Y.

Chicago Pneumatic Tool Company—Analysis—W. E. Hutton & Co., 14 Wall Street, New York 4, N. Y. Also available is an analysis of the current business picture.

Cincinnati Milling—Memorandum—Pershing & Co., 120 Broadway, New York 5, N. Y. Also available is a memorandum on **Ex-Cell-O.**

Coastal States Gas Producing—Analysis—Walston & Co., Inc., 74 Wall Street, New York 5, N. Y. Also available are analyses of **Heli-Coil** and **Norris-Thermador Corp.**

Columbia Pictures Corporation—Analysis — Herzfeld & Stern, 30 Broad Street, New York 4, N. Y.

Columbian Carbon Company—Report—Auchincloss, Parker & Redpath, 2 Broadway, New York 4, N. Y. Also available and brief reviews of the **Building Industry, Electrical Equipment Industry** and **Oil Industry** and a memorandum on **Amerada.**

Columbian Carbon Company—Analysis—Green, Ellis & Anderson, 61 Broadway, New York 6, N. Y.

Danly Machine Specialties, Inc.—Analysis—A. G. Becker & Co., Incorporated, 60 Broadway, New York 4, N. Y.

Delaware & Hudson — Memorandum—Bruns, Nordeman & Co., 115 Broadway, New York 6, N. Y. Also available is a memorandum on **Coca Cola.**

Dennison Manufacturing Co.—Analysis—Schirmer, Atherton & Co., 50 Congress Street, Boston 3, Mass.

Dymo Industries—Review—Globus Inc., 660 Madison Avenue, New York 21, N. Y. Also in the same circular are data on **Anodyne Inc., Technical Measurement Corp., Electro-Tec Corp.** and **Electromagnetic Industries.**

Electronics Funding Corporation—Report — Darius Incorporated, 80 Pine Street, New York 5, N. Y.

Farbenfabriken Bayer — Memorandum—Schwabacher & Co., 100 Montgomery Street, San Francisco 4, Calif. Also available is a memorandum on **Sierra Pacific Power Co.**

Franklin National Bank of Long Island — Brochure — Blair & Co. Incorporated, 20 Broad Street, New York 5, N. Y.

Garrett Corporation — Analysis—Peter P. McDermott & Co., 42 Broadway, New York 4, N. Y.

General Dynamics — Analysis—Colby Weekly Letter, 31 Milk St., Boston 9, Mass. Also in the same issue are reviews of **Monterey Oil** and **Hanover Bank.**

Georgia Pacific Corporation—Analysis—Courts & Co., 11 Marietta Street, N. W., Atlanta 1, Ga.

Gustin Bacon Manufacturing Co.—Review — Fahnestock & Co., 65 Broadway, New York 6, N. Y. Also available are reviews of **Spiegel, Inc., Bausch & Lomb, Inc.** and **New York, Chicago & St. Louis Railroad.**

Harvey Corporation — Report—Blaha & Co., Inc., 29-28 Forty-first Avenue, Long Island City 1, N. Y. Also available is a report on **Tri Metal Works Inc.**

Inland Container Corporation—Analysis — Indianapolis Bond & Share Corporation, 120 East Market Street, Indianapolis 4, Ind.

Louisiana Gas Service Co.—Memorandum — Rotan, Mosle & Co., Bank of the Southwest Building, Houston 2, Texas.

Lytle Corporation — Report—James Anthony & Co., Incorporated, 37 Wall Street, New York 5, N. Y.

Miller Manufacturing—Memorandum—Baker, Simonds & Co., Inc., Buhl Building, Detroit 26, Mich.

Minneapolis-Moline — Memorandum—Rittmaster, Adelberg & Co., 260 Madison Avenue, New York 16, N. Y.

New Hampshire Ball Bearings Inc.—Memorandum—Kidder, Peabody

Continued on page 19

Effect of the Recession in Britain's Auto Industry

By Paul Einzig

Britain is now experiencing an automobile industry cyclical downturn and Dr. Einzig assesses the impact of this upon the domestic economy and the cold war.

LONDON, Eng. — The automobile industry in Britain is going through a difficult period. There is a decline in demand both at home and abroad, and inventories of unsold automobiles are accumulating. In the circumstances there is no choice but to curtail the output. Some drastic steps to that end have in fact been taken by a number of firms in Britain.

Deplorable as this may be from the point of view of prosperity, it has undoubtedly some compensating advantages. Traffic in London and in other big cities, and in the country during weekends and holidays, has become a nightmare, and has been growing worse and worse. Parking facilities in the center of cities during business hours have become impossible. Had the increase in the number of vehicles continued, before very long chaotic conditions would have developed, and communication by means of automobiles would have reduced itself to absurdity. The improvement of roads and parking facilities was quite incapable of keeping pace with the increase in the number of vehicles on the road. That increase still continues but on a reduced scale.

Effect of Auto Production

An even more important aspect of the problem is the effect of the pressing demand for more and more automobiles on the national economy. The automobile industry needed more and more manpower to cope with the demand and was willing and able to pay very high wages. The result was a nationwide shortage of manpower in all industries which were not able to with the automobile industry in raising their wages. The entire transport system for instance, is reduced to a state of inefficiency for lack of adequate manpower. There is a shortage of staff on the railroads and the bus service in London has become intolerably inadequate.

Before the war, transport employees had refused to be tempted into other industries by higher wages because they had valued their steady employment. Since the war that advantage has virtually disappeared, because industries were fully employed, so that even if their employees lost their jobs occasionally they had no difficulty in finding another immediately. It is no wonder therefore that bus drivers and conductors were inclined to abandon their permanent jobs for the sake of the much higher pay they were able to earn in the automobile industry, radio industry, etc.

The result was that even industries which were not nearly as profitable as the motor industry felt compelled to pay higher and higher wages in order to retain the minimum number of hands necessary for maintaining their activities. The expansion of the automobile industry exerted for many years an inexorable inflationary pressure on the whole economy.

There can be little doubt that this pressure was largely responsible for Britain's economic difficulties. It contributed to no slight extent towards the rising trend of prices between 1945 and 1958. Even though the cost of living has been stable during the last two and a half years, the increased consumer demand resulting from higher wages caused by the automobile boom resulted in a deterioration of Britain's balance of payments. It has only been possible to prevent a revival of inflation with the aid of drastic disinflationary measures which necessarily reacted on industry in general and the automobile industry in particular.

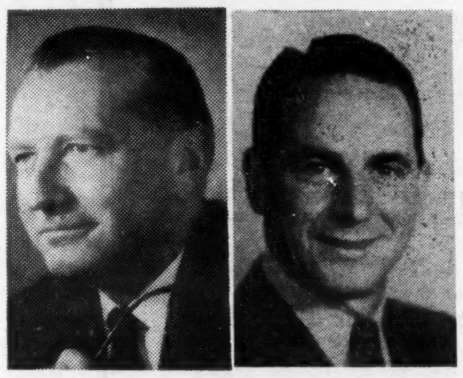
Unfortunately, it does not seem as if the recession in the automobile industry would relieve the situation. Relief could be obtained if hundreds of thousands of workers employed directly or indirectly in the production of automobiles were to be released to become available for other employment. This would relieve the scarcity of labor and would halt or slow down wages increases.

There is, however, the utmost resistance to redundancy dismissals. The trade unions insist that firms in the automobile industry should continue to employ the same number of hands even if this means a four day week or three day week. The position is the same in other industries but not to such a striking extent as in the automobile industry. This explains the paradoxical situation that although the industrial output has flattened out and has even begun to decline, full employment and even over-full employment continues to prevail.

It is understandable that there should be such resistance to dismissals, for, even though alternative employment is easily obtainable, a change necessarily means considerable loss of earnings. The reason for the resistance to redundancy dismissals is that the recession in the automobile industry is considered purely temporary. Yet if and when the boom is resumed it will mean a resumption of inflationary pressure.

Woolrych, Currier Absorbs Keenan

LOS ANGELES, Calif. — The Investment brokerage firm of Woolrych, Currier & Carlsen, Inc.,



John J. Keenan   Joseph G. LaPuma

has announced its consolidation with the business of John J. Keenan and Company, Inc., of Los Angeles. Under the new arrangement, the consolidated firms will be known as Woolrych, Currier & Carlsen, Inc., officials said.

John J. Keenan is now Vice-President of the Los Angeles Corporate Department of the firm. Joseph G. La Puma is manager of the Los Angles Sales Department. Registered representatives include Carter H. Corbrey, Ralph C. Davidson, George D. Hansen, Jack J. Mahakian and Raymond L. Sodersten.

Corporate headquarters of Woolrych, Currier & Carlsen, Inc., remains at 233 "A" Street, San Diego. Los Angeles Sales offices are at 639 South Spring Street, where the John J. Keenan Company has been located. The trading department and cashiering remains at the Los Angeles main office located at 210 West Seventh Street.

Woolrych, Currier & Carlsen, Inc., is a member of the Pacific Coast Stock Exchange. The firm maintains its own private wire services to New York.

Nonferrous Metals Market And Aluminum Particularly

By Frank L. Magee,* Chairman of the Board, Aluminum Company of America, Pittsburgh, Pa.

A modest increase in aluminum shipments in 1961 and for the balance of this year, which could quickly accelerate in step with general economic recovery, is predicted by Mr. Magee after delving into the changing factors affecting various production and inventory phases of the industry. This includes an analysis of the nonferrous metals' outlook, and of the prices, profits, new processes, domestic and foreign sales trends in the aluminum industry itself. The great hope for the industry is held to be the successful promotion of new applications of this metal, and the industry's optimism regarding this is said to remain undiminished.

As a representative of the United States aluminum industry, I feel somewhat out of my element to be discussing nonferrous metals in Canada. Perhaps I should have declined in deference to Canada's many nonferrous authorities, but I regarded the invitation as an honor to Alcoa, and will attempt to reflect our impressions of the present situation in the industry. For the sake of brevity, my discussion will be limited to five of the major nonferrous metals — aluminum, copper, lead, zinc and nickel — and will devote somewhat more time to aluminum than to any of the others. Since the aluminum industry is a large consumer of the second light metal, magnesium, I shall make reference to it also.

Frank L. Magee

Copper Outlook

The outlook for copper in 1961 is somewhat clouded because of the current strike at a large mine of one of the important producers in Chile. Prospects are excellent, however, for a substantial increase in consumption in the next few years, especially in Western Europe and other parts of the free world. In the United States, future demand should reflect the industry's increasing emphasis on research and market development. Voluntary production cutbacks by world producers have effectively ended the wide price swings of recent years, and there is no doubt that reasonably stable prices would be welcomed by the industry. Copper supply is now the best it has been in years, and so far there is no evidence that it has been affected by the political disturbances in Africa. Despite excellent business conditions in Europe, it would seem that production will continue to exceed consumption in the immediate future. Consequently, the closing of the gap must be accomplished by rising demand in the United States and the rest of the world, and by cutbacks in production like several announced recently

Lead, Zinc and Nickel

The consumption of lead has increased this year, largely in overseas markets, but the growth has not been sufficient to prevent an increase in world inventories. Although a few major countries have taken steps to help stabilize the market by restricting supplies, these restrictions do not obviate the need for an effective solution to this industry's major problem of over-supply. Although it has been predicted that U. S. production is headed for a new low this year, world output in 1960 is estimated at 2,205,000 tons, and a 4% increase is predicted for 1961. Traditional uses for lead, such as batteries, cable coverings and solder, should experience moderate growth in 1961. New developments in lead-base alloys and the technique of bonding lead to other metals may generate sizable increases in demand in the next few years, especially in atomic energy applications.

In general, the outlook for zinc is favorable. It now seems unlikely that voluntary curbs on metal output which were dropped earlier this year will again be considered necessary. World surplus this year is estimated at 74,000 tons, and an increase to 102,000 tons has been predicted for 1961. Consumption in 1960 may show a slight decrease over 1959 because of inventory liquidation and the low steel operating rate, particularly in the United States. An improvement in orders for die castings and galvanized products is expected during the fourth quarter, however, and should continue well into 1961. The continued research and development work on new uses for zinc is a highly favorable factor in this industry's future prospects.

Consumption of nickel this year may not come up to earlier expectations because of the reduced output of stainless steel and other nickel-bearing alloys in the United States, the largest market for this vital material. The outlook for 1961, however, is for a substantial increase, both because of the anticipated rise in steel production and because of greater demand per unit of production. The industry's ability to supply this growing demand will soon be enhanced by production from the new $12 million Levack plant of International Nickel Company of Canada, Ltd. This well-known producer currently accounts for more than two-thirds of the free world's nickel and between 65% and 90% of the annual U. S. supply. Inco's capacity in 1961 will rise to about 385,000,000 pounds, compared with deliveries of 317,000,000 pounds in 1959. Continued development of Canada's nickel ore reserves assure ample raw materials to support future needs.

In the aluminum industry, the past year has been one of considerable accomplishment, though not as profitable as we had hoped. Broadly speaking, it has been a period of readjustment to the developments of 1955-59 and, above all, it has been a period of intense competition. Basically, the situation in 1960 was this: Although aluminum shipments have been at a high level during most of 1960, the total supply of metal continued to exceed current requirements. Prices have been weak in many fabricated lines. Because of general business conditions, the original estimates of 1960 shipments have not attained the levels originally forecast by the industry. However, there is no lack of optimism in the industry with respect to a renewal of the upward trend in demand and an accompanying improvement in prices and profits. Two of the most significant factors in the current industry situation include the industry's efforts to cultivate domestic and foreign markets, and the impact of a growing number of projects both at home and abroad which will further increase the total world supply of metal. With this brief summary in mind, you may be interested in some of the details.

Aluminum Outlook Details

The total North American capacity to produce primary aluminum has now reached 3,311,000 tons per year, of which 2,433,000 tons represent the facilities of six U. S. producers and 878,000 tons represent the two producers in Canada. These figures include the following additions in 1960: 55,000 tons by Alcoa, 33,000 tons by Reynolds, 2,500 tons by Anaconda and 6,000 tons by Harvey. In this connection, Aluminium Limited (parent company of Aluminum Company of Canada) announced in July of this year that it would construct a pilot smelting facility at its Arvida (Quebec) location to try out a newly developed process for converting bauxite directly into metallic aluminum. Although a number of direct reduction processes previously developed have proved uneconomical, the entire industry will be watching this new effort with considerable interest.

At this point, it may be well to inject a brief reference to magnesium, because of its place as the second light metal and its close relationship to the aluminum industry. The two most prominent uses for magnesium are as an alloying ingredient in aluminum and as an important material for die cast products. United State production of primary magnesium in the first half of 1960 has increased sharply over 1959, and has now reached an annual rate of 39,500 tons, or 27% more than last year. A significant development of 1959 was the advent of a second U. S. producer. Consumption of magnesium for the year 1960 is also expected to be greater than in 1959, and it is believed that the commercial usage of this metal will increase substantially as the industry intensifies its research, market development and selling efforts.

A factor of importance to the aluminum supply situation in the United States is the trend of metal movement in the international market. As in the past, most importations to the United States will come from Canada, and, in the case of primary metal, the total is expected to be 156,000 tons, a 35% drop from last year. This reduction is an indication of the adequate U. S. supply. The demand for aluminum from abroad, particularly in Europe and the Far East, is anticipated to continue good in 1961, with the major supply coming from Canada and the United States.

In this connection, the attention of the North American aluminum industry in recent years, and especially in recent months, has been focused on bauxite reserves and potential hydroelectric energy supplies in a number of overseas locations, particularly in West Africa. Negotiations are in progress looking towards the development of these resources in some of these countries. While demand abroad undoubtedly will eventually require such additional sources of supply, their development in many cases might well have been postponed for some years were it not for present political considerations of some urgency. Most of these countries are relatively under-developed and will turn to the Western World or to the East for aid wherever the prospects seem best for prompt and material help. While this political situation is disturbing, these countries offer great long-term possibilities for meeting vast undeveloped markets for aluminum abroad, while at the same time utilizing some of the hitherto untouched resources of the world and helping in the development of the countries concerned.

Aluminum Consumption

Turning now to the subject of aluminum consumption, let me

cite a few figures to indicate the areas which seem to offer great potential. As a basis for comparison, it is significant to note that the amount of aluminum consumed in the United States on a per capita basis in 1959 was 27 pounds. By way of contrast, Western Europe and the United Kingdom combined used about 8 pounds; and India, with a population of 410 million consumed less than half a pound. It is because of these and similar opportunities that a number of important moves have been made to establish foreign fabricating facilities. In addition, of course, all U. S. producers are manufacturing aluminum semi-fabricated products at home for sale in foreign markets.

This activity has been hampered, however, by the fact that the major foreign markets for export trade are in a small number of countries, primarily in Europe, which have lower prices for their own mill products, lower wage rates and stiff tariffs on U. S. aluminum products. Although 1960 exports of primary aluminum from the United States have increased sharply, exports of semi-fabricated products have declined this year. Imports of semi-fabricated products, on the other hand, have sky-rocketed from 31 tons in 1957 to 55,250 tons in 1959. So far this year, however, imports of semi-fabricated aluminum are lower than 1959 because of the apparent strong demand for aluminum mill products abroad and the ready availability of metal in the United States.

The Inventory Situation

One final factor affecting current business in the U. S. aluminum industry is the inventory situation. The year 1959 was an active one for the aluminum industry, but it has now become apparent that this activity was somewhat artificial, primarily because of inventory building in anticipation of labor problems and price increases. Although there has been substantial inventory liquidation in the first nine months of 1960, it is evident that the situation is still abnormal. Further corrections are continuing in the fourth quarter and, by the end of the year, aluminum inventories will be at a relatively low point as compared with consumption.

Since earnings seem to be the main problem of the industry at present, considerable attention has been focused on this aspect of the business. In December, 1959, there was a general restoration of the price of primary unalloyed ingot—formerly called pig in the United States — to 26 cents per pound. This increase simply brought the price of aluminum back to the level of April, 1958, from which it was lowered to meet a price reduction in the world market. Another recent move was the announcement of price increases on certain alloy ingot and semi-fabricated products to help offset the effects of the automatic wage increase called for in the three-year labor contracts negotiated by the United States industry in 1959.

The most far-reaching solution for the industry's current problem is in the market promotion of new applications for the metal. The aluminum industry is continuing to direct its principal attention to major markets where it has made rapid strides in the past. The largest industries involved have been transportation, building and construction, electrical generation and transmission, structures, and packaging and containers. Progress to date has been a direct product of an aggressive research and development program which has characterized the aluminum industry since its inception, and which remains the basis for continued achievement. Several large, promising markets have been opened up by recent developments and are currently being rapidly cultivated by the major producers.

The prospect for 1961 and the balance of 1960 depends largely on the condition of the general economy. For our part, we expect a modest increase in shipments, which could develop quickly to more substantial proportions if the pace of general economic activity improves. We feel that aluminum will exert a strong upward pressure as more and more aluminum is adopted per unit of production. Increases of this type are certain in many lines, and the effect they will have on the total volume of aluminum shipments depends on a general increase in production. In any case, the industry's optimism for the long term is undiminished. We are confident that aluminum will further widen its margin as the leading nonferrous metal in future years, and continue to strengthen its position as second among all metals.

*An address by Mr. Magee before the 406th National Industrial Conference Board Meeting, Toronto, Canada, Oct. 13, 1960.

Société Générale In Own Building

On October 17, 1960 His Excellency Mr. Hervé Alphand, Ambassador of the Republic of France to Washington, dedicated the new premises of the New York Agency of Société Générale in the Société Général Building, 66-68 Wall St., New York.

The dedication ceremonies were conducted with the assistance of: Messrs. Maurice Lorain, Chairman of the Board of Société Générale; Jacques Ferronniere, General Manager of Société Générale; Jean Richard, Foreign Department Manager of Société Générale; Lewis S. Chanler, Honorary Manager of the New York Agency of Société Générale; and Henri Blanchenay, Manager of the New York Agency of Société Générale.

Baron Julien Chadenet, former Manager of Foreign Department of Société Générale and now Chairman of Société Générale Alsacienne de Banque, was also present.

Société Générale pour favoriser le Développement du Commerce et de l'Industrie en France, for short Société Générale, is the second largest bank in France and the 26th largest in the Free World, with over $1.7 billion assets.

It was established in 1864 and maintains over 1,400 branches throughout France and Africa with branches in London and Buenos-Aires besides it New York Agency.

Its associated bank Société Générale Alsacienne de Banque maintains branches in Alsace-Lorraine, Germany, Luxembourg, and Zurich (Switzerland). Société Générale also maintains wholly-owned subsidiaries in Belgium, Cuba, and Spain.

The New York Agency of Société Générale opened on Jan. 1, 1940, has now completed its 20th anniversary.

Established at 60 Wall Street, it has expanded on several occasions, notably in 1955 when it took additional space in the adjacent building at 56 Wall Street.

In view of added requirements, Société Générale recently purchased the building formerly owned by Bank of Montreal. Under the direction of Lucien David, Architect, these premises, now called The Société Générale Building, were remodeled to better serve the needs of an ever-expanding Franco-American trade.

The progress made by the New York Agency of Société Générale is closely related to the economic revival of France and the rest of Europe. However, it was made possible and was further stressed only because of the friendly support of the New York banking fraternity and the confidence of Société Générale correspondents and clients throughout the world.

G. L. Loeb to Address Group

Gerald M. Loeb, partner in E. F. Hutton & Co. and author of "Checklist for Buying Stocks," will speak on the securities market at the New York University Graduate School of Business, 100 Trinity Place, on Oct. 25.

Mr. Loeb's talk is part of the fourth annual fall series of lectures titled, "Facets of Investment Banking, 1960," sponsored by the Investment Association of New York.

With Wyatt, Neal And Waggoner

(Special to THE FINANCIAL CHRONICLE)

ATLANTA, Ga.—Alonzo M. Norris III has been added to the staff of Wyatt, Neal & Waggoner, First National Bank Building.

Roy Reed Vice-Pres. of Continental Securities

MILWAUKEE, Wis.—Roy S. Reed has become associated with Continental Securities Corporation, 611 North Broadway, as Vice-President and Manager of the trading department.

With Cruttenden, Podesta

CHICAGO, Ill. — Daniel G. Sullivan has joined the head-office staff of Crutenden, Podesta, & Co., 209 South La Salle Street, members of the New York and Midwest Stock Exchanges, William K. Bosse, director of research, announced.

Mr. Sullivan has been assigned to the research department of the Chicago-based firm as an investment analyst.

Kamen to Admit

Kamen & Company, 25 Broad St., New York City, members of the New York Stock Exchange, on Nov. 1 will admit Arnold G. Hyman to partnership.

The State of TRADE and INDUSTRY

Steel Production
Electric Output
Carloadings
Retail Trade
Food Price Index
Auto Production
Business Failures
Commodity Price Index

The October issue of "Business in Brief" issued bi-monthly by the Chase Manhattan Bank is an interesting commentary reviewing business conditions and prospects which we quote in part, viz.:

"Industrial production has been virtually level this year, with declines in steel and autos largely offset by increases in other industries. Nevertheless, this stability in over-all production has given rise to a growing mood of caution on the part of consumers and businessmen.

"For perspective, it should be remembered that a production plateau characterized the final stages of the two previous business cycles. In both cases the plateau extended almost two years (August 1950 to August 1952, and December 1955 to August 1957). The current period of leveling, which was interrupted by the steel strike, is a bit more than a year old.

"In the 1949-1953 cycle the plateau was followed by a boom in late 1952 and early 1953. Steel and auto output soared after the 1952 steel strike. In contrast, the period of level production from December 1955 to August 1957 was followed by the downturn into the 1957-58 recession.

"This historical analogy raises two questions about the immediate future. Will the economy work out of a period of rolling adjustment into one of renewed advance? Or is the current plateau a prelude to another business cycle downturn?

"In considering the question, look first at the trends which produced the stability in over-all industrial activity.

"Inventory buying has seesawed from a rate of $11.5 billion in the second quarter of 1959, to a small reduction in the third quarter, then up to $11.4 billion in the first quarter of this year, and down again to a minus figure in July. Over-all inventories are about as high in relation to sales as before the two previous business cycle downturns.

"Plant and equipment expenditures are up 11% in the past year—not a vigorous recovery by past standards. The recent SEC-Commerce survey shows that business plans to hold expenditures level for the remainder of the year.

"Housing starts continued to decline from May through July, despite some increase in the availability of mortgage credit. Nation-wide reports show that demand for new housing is not as strong as in earlier periods. However, a further easing in credit, plus efforts by builders to meet demand, could lead to some increase in the period ahead.

"Government expenditures have been level for more than a year as a decline at the Federal level has offset increased spending by state and local governments. However, Federal expenditures are now on the rise. Thus, total government purchases of goods and services could increase $5-6 billion in the year ahead.

"Retail sales declined 3% from April to August, largely because of a slowing in auto sales. Surveys show that consumers are increasingly hesitant in buying durable goods. However, consumer income is running 5% ahead of a year earlier, so total expenditures for goods and services have continued to increase.

"This review of key economic trends reveals an economy operating at a high level and absorbing rather severe adjustments in individual areas. In the near future some pick-up in steel output, which dropped one-third between March and August, appears possible. Production has run below consumption for some months, and inventories are at low ebb. Auto production will also rise, perhaps a bit more than seasonally, as stocks of the 1961 models are built up. With stability or small increases in other industries, the index of industrial production could remain relatively steady in the near future.

"However, the current picture is not one of an economy girding itself for a vigorous advance. Only two major sectors — government and consumption of nondurables and services—appear to show expanding trends that could extend into next year. Such key areas as business investment in new plant and equipment, inventories, housing and durable consumers goods exhibit at best stability.

"The major area of uncertainty is new plant and equipment. Profits have been disappointing this year, a development that usually leads to reductions in budgets for capital expenditures. However, such expenditures have not been unduly high this year or last, so that any necessary adjustment may prove moderate.

"In fact, the strength of the economy during the past year in face of difficult adjustment problems is reassuring. A free economy requires periods of adjustment to pave the way for a period of rapid growth. The hope is that any further adjustments that may lie ahead can be absorbed with a minimum of over-all disruption and that they will lay the foundation for a new period of growth."

Bank Clearings for Oct. 15 Week 2.5% Above a Year Ago

Bank clearings this week will show an increase compared with a year ago. Preliminary figures compiled by the *Chronicle*, based on telegraphic advices from the chief cities of the country, indicate that for the week ended Saturday, Oct. 15, clearings from all cities of the United States from which it is possible to obtain weekly clearings will be 2.5% above those for the corresponding week last year. Our preliminary totals stand at $24,667,335,089 against $24,077,166,496 for the same week in 1959. At this center there is a gain for the week ending Friday of 6.6%. Our comparative summary for the leading money centers for the Oct. 15 week follows:

Week End. Oct. 15—	(000s omitted) 1960	1959	%
New York	$12,382,327	$11,615,252	+ 6.6
Chicago	1,242,828	1,230,476	+ 1.0
Philadelphia	966,000	1,021,000	— 5.4
Boston	710,209	735,678	— 3.5

Steel Price Increase Deemed Unlikely

Steel users are not considering possible steel price increases in their buying plans, *The Iron Age* reports.

This means price hedging in advance of the Dec. 1 wage increase to steelworkers can be discounted in stimulating November steel orders. The magazine comments that this is just another reason why the steel market is not likely to make a significant recovery this year.

Some signs of better business are observed, particularly in the Midwest where activity is more brisk than other areas. It is the absence of new strength in the major markets for steel that holds operations at a low level.

The Iron Age reports that, while the steel industry maintains prices, it will eventually have to have relief from high manufacturing costs. The competitive factors outweigh higher price pressures now.

Steel users, evaluating the market, believe the industry operating rate, now in the mid-50's, will have to go over 70 before steelmakers can consider anything more than few highly-selective price increases.

The Iron Age points to these pressures that are working against steel price increases:

Automakers have already based their 1961 prices (which either hold the line or are slightly lower) on no changes in steel prices.

Appliance prices have been cut. These cuts were made on the assumption of no higher prices for steel.

Canmakers are using new developments in aluminum as a level to keep tinplate prices from going up.

The magazine points out that the high rate of compact car production, compared with standards, is now being felt in the steel market. This is further aggravated by the smaller use of steel in standard models.

The average 1960 compact car uses about 800 lbs. less steel than the standard model. But this year's standard model uses about 150 lbs. less steel than last year's. On a 40-60 breakdown of the auto market (compacts taking 40 pct), this means a rated average of 410 lbs. per car less steel in 1961.

Steel Demand to Be Stronger Six Months From Now Than It Is Today

Steel market analysts now predict that the steel operating rate will average 54% of capacity this month, 57% in November, and 61% in December, *Steel* magazine reported.

Under the worst conditions imaginable, they would expect demand for steel to be stronger six months from now than it is today, the metalworking weekly said.

There is little hope for an early, sharp upswing in demand. New orders and shipments have been at a standoff for several weeks, and there's no indication buyers will step up purchases next month in anticipation of higher prices.

A sharp upswing in steel production will be triggered only if steel users realize their inventories are too low, or if they have a pickup in their operations.

We will use more steel this year than we have produced, *Steel* reported. The year's ingot production is now estimated at 102 million tons, but the equivalent of 105 million tons will be used—the difference coming out of inventories.

This will lower consumer inventories of finished steel at year-end to 3 million tons below what they were on Dec. 31, 1959. Oddly enough, that would put them lower than they were at the end of the long steel strike last year.

Commercial research men in the steel industry expect 1961 output to be about the same as 1960's. They're pegging 1961 consumption of finished steel at 75 million tons and saying that 70 million is the lowest they can visualize.

Marketing men expect steel usage next year to be moderately lower in the automotive, appliance, capital equipment, and construction industries.

They look for slightly higher consumption by container manufacturers and the oil and gas industry. Canning suffered this year when cold weather damaged crops, reduced food packs, and kept beverage sales below normal. Oil drilling activity probably won't increase next year, but inventory reduction will end, forcing buyers to order as much steel as they are using.

Inventory liquidation has come a long way since last spring, but it still has some way to go, *Steel* said. Purchasing agents think further reductions are on the way. Government statistics indicate some room for inventory cutting.

Many of the members of *Steel's* Panel of Economic Consultants expect manufacturers to overcorrect inventories (as they have in each of the three postwar recessions). The economists expect inventories to be $2 billion lower than they should be by the first quarter of 1961.

Last week, steelmakers operated their furnaces at 54.6% of capacity, up 1.2 percentage points from the previous week's revised rate. Output: About 1,556,000 ingot tons.

Steel's price composite on No. 1 heavy melting steel scrap declined 50 cents to $30.17 a gross ton, the lowest since September, 1954.

This Week's Steel Output Based On 54.6% of Jan. 1, 1960 Capacity

The American Iron and Steel Institute announced that the operating rate of the steel companies will average *96.9% of steel capacity for the week, beginning Oct. 17, equivalent to 1,556,000 tons of ingot and steel castings (based on average weekly production of 1947-49). These figures compared with the actual levels of *98.3% and 1,579,000 tons in the week beginning Oct. 10.

Actual output for last week beginning Oct. 10, was equal to 55.4% of the utilization of the Jan. 1, 1960 annual capacity of 148,570,970 net tons. Estimated percentage for this week's forecast based on that capacity is 54.6%.

A month ago the operating rate (based on 1947-49 weekly production) was *96.3% and production 1,547,000 tons. A year ago the actual weekly production was placed at 371,000 tons, or *23.1%. At that time the industry was virtually closed down due to a strike of the steel union.

*Index of production is based on average weekly production for 1947-49.

Electric Output 6.8% Above 1959 Week

The amount of electric energy distributed by the electric light and power industry for the week ended Saturday, Oct. 15 was estimated at 13,736,000,000 kwh., according to the Edison Electric Institute. Output was 11,000,000 kwh. above that of the previous week's total of 13,725,000,000 kwh. and showed a gain of 875,000,000 kwh., or 6.8% above that of the comparable 1959 week.

Compact Cars Accounted for One-Third, or 47,370 of the 149,150 Cars Assembled Last Week

Nearly one out of three cars built this week was a compact, *Ward's Automotive Reports* said on Oct. 14.

The statistical agency said that compacts accounted for 31.7% or 47,370 of the estimated 149,150 cars assembled during the week.

Heading the compact list was Falcon and Comet with a combined total of 17,400 units.

Continued on page 18

Publishers' Stock—A New Look at Book Values

By Dr. Ira U. Cobleigh, *Enterprise Economist*

A capsuled review of book publishing shares and some of the reasons for their current popularity.

Until quite recently the publishing of books seemed, for the most part, a staid, dependable, mossy and quite unromantic family, or closely held, type of business. Every so often an outstanding best seller like "Gone With the Wind" would get investors to conjecturing about how much money the publisher made, but the buying of publishing company shares was not at all widespread. This was true because there were not many issues to choose from and, except for McGraw-Hill and Prentice-Hall, little active trading in them. The picture has now changed, however. With that change has come broader appreciation and an eager acceptance of publishing shares, and a number of interesting book companies that have decided to "go public."

The basis for this new fashion in finance is a better understanding of the book business. The general impression used to be that profits depended on zooming and often lucky sales of fiction best sellers. While many companies have had big profit years from sensational fiction leaders, the steadiest and most desirable business has been in text books; and today that end of the business is experiencing a remarkable growth. Sales of text books and encyclopedias have more than doubled since 1955 and will run to well over $600 million this year. And the future is rosy. Our student population from elementary through graduate school is now about 47½ million; it is expected to be 53½ million by 1965. These eager (most of them) youngsters are creating an almost insatiable demand for school books — standard ones in such fields as history, English, mathematics, and new ones in the exciting technologies of electronics, infra-red photography, nuclear physics, digital and analog computation and optical scanners.

Text Books — A Repeat Business

From the publishers' view this is all wonderful since text books, once accepted and approved by educational institutions, are a form of annuity. They keep on selling year after year with only minor periodic revisions, and in increasing volume. It may take three or four years for a top-flight text book to be written but once the book is on the market, it builds a pipeline to the cash register. It is this repeat sale, combined with the burgeoning rise in our student population, that has now added book publishing to the ranks of growth industries, and created a demand for publishing stocks that is one of the major market phenomena of 1960.

A leading publisher and a "blue chip" stock is *McGraw-Hill*. While well known for its distinguished line of business publications (headed by *Business Week*) it is a maor publisher of fiction, technical and scientific books. Growth in sales and profitability have been in a steadily rising curve and new highs in both will be reported for 1960. The stock around 65¾ should earn $3.50 this year. Indicated dividend distribution is $1.85. If McGraw-Hill appears a bit high priced, it is out of respect for its splendid management, rising profit margins and outstanding past performance.

Prentice-Hall is the world's largest publisher of college text books. The company is constantly looking ahead and has signed over 2,000 authors' text book contracts in the past few years. Prentice-Hall has a habit of increasing gross and net each year. For 1960 the President, John Powers, has projected sales of $50 million and net profits, up 17% over 1959, to 87 cents a share. While Prentice-Hall common may appear fully priced at 33, the company by internal growth and by merger is moving ahead probably as rapidly as any other in the business.

American Book Co. common sells on the American Stock Exchange at around 48 with a $1.60 dividend. Net for 1960 should be in the order of $3.10. Thus the common is available at about 16 times earnings—an attractive ratio in this business. After eight or 10 years of average progress, the company by majoring in high school and college text is in a position to accelerate its growth rate. For 53 years American Book has been a respected leader in the educational field. It looks more dynamic today than at any time in its history.

Allyn & Bacon is expanding its college book department and is attractive on the basis of one of the best 1950 decade growth rates in the business. The common was split 2-for-1 last summer. It sells over-the-counter at 24 with an indicated dividend of 15 cents which should be improved.

Crowell-Collier is an impressive and rejuvenated publishing organization. After purchasing 52.8% of the outstanding common of *Macmillan Company*, Crowell-Collier has just announced a proposal of merger on the basis of 1.6 shares of Crowell for each share of Macmillan. At current prices this works out to around $57 a share for Macmillan. The merged company will be a leader in the industry grossing around $60 million annually. Crowell-Collier at 36 has some interesting possibilities.

Going Public

The big buzz in the publishing business in the past year has been "going public." *Harcourt, Brace & Co.* common went on the market for the first time this summer at 23½. It has recently sold around 28 and the company announced plans to merge with *World Book Co. of Tarrytown, N. Y.*, publisher of elementary school books. This will create a corporation with combined annual sales at the $27 million level.

In October of 1959, *Random House* went public with an offering of 222,060 common shares at 11½. The issue was snapped up avidly by investors and now, a year later, sells at 33. Mergers during the year with *Alfred A. Knopf* and *Beginner Books* should expand annual sales at Random House to upwards of $22 million.

Holt, Rinehart & Winston represents going public in part as the Rinehart division had been family held for decades. Public offering at 41 a share was swiftly oversubscribed and the shares sell today on the N. Y. Stock Exchange at around 46½. Two-thirds of the business is presenty in text books and the enterprise is an expanding factor in tape recordings, and a variety of teachers' aids. Common has merit for the long pull and earnings should continue to expand after consolidation has been suitably digested. Per share for 1959 was about $1.25. Present indicated dividend is 40 cents plus a small amount in stock.

Scott, Foresman & Co., a very old company, renowned for its elementary text books is expected to "go public" shortly, and *Ginn & Co. of Boston* has already registered an offering with the SEC.

New Growth Industry for Investors

As you can see from the above the extent and variety of issues, an exciting earnings up curve, and a growth rate of about 8% annually compounded in the book publishing business provide investors with (to most) a brand new industry from which to make sagacious selections. The growth rate may not be quite so gaudy as in the electronics trade. On the other hand, publishing stocks provide a lot more meat and potatoes in such old-fashioned elements as strong balance sheets and rewarding dividend records. Moreover, you are not asked to pay 40 or 50 times earnings to buy your way into investment glamor. Browse among the book stocks and you may open new vistas to large and no doubt literate profits.

Mullen Joins Goddard Co.

(Special to THE FINANCIAL CHRONICLE)

BOSTON, Mass. — John Mullen, Jr. has joined the staff of J. H. Goddard & Co., Inc., 85 Devonshire Street, members of the Boston Stock Exchange. Mr. Mullen was formerly with Sherman Gleason & Co., Inc. and Chas. A. Day & Company.

With Hill, Darlington

(Special to THE FINANCIAL CHRONICLE)

BOSTON, Mass.—Harry S. Ingber is now connected with Hill, Darlington & Grimm, 80 Boylston Street. He was formerly with du Pont, Homsey & Company and Wall Street Planning Corporation.

COMING EVENTS

IN INVESTMENT FIELD

Oct. 28-29, 1960 (Detroit, Mich.) National Association of Investment Clubs 10th anniversary convention at the Sheraton-Cadillac Hotel.

Oct. 28-30, 1960 (Hot Springs, Va.) Southeastern Group of Investment Bankers Association meeting.

Nov. 3-4, 1960 (Miami, Fla.) Florida Security Dealers Association annual convention at the Key Biscayne Hotel.

Nov. 10, 1960 (Minneapolis, Minn.) Minnesota Group of Investment Bankers Association meeting.

Nov. 12, 1960 (Philadelphia, Pa.) Investment Traders Association of Philadelphia Eighth annual dinner dance at the Germantown Cricket Club.

Nov. 17-18, 1960 (Chicago, Ill.) American Bankers Association 29th Mid-Continent Trust Conference at the Drake Hotel.

Nov. 27-Dec. 2, 1960 (Hollywood Beach, Fla.) Investment Bankers Association Annual Convention at Hollywood Beach Hotel.

April 12-13-14, 1961 (Houston, Tex.) Texas Group Investment Bankers Association annual meeting at the Shamrock Hilton Hotel.

THE SECURITY I LIKE BEST...

Continued from page 2

hospital space during summer months.

The potential market for air conditioning related to new public schools is enormous. It is estimated that within the next decade over 600,000 additional classrooms must be provided at a cost in excess of $25 billion. Recent independent studies by nationally-known architects indicate that school structures incorporating air conditioning can be built at less cost than the conventional type of school and with an equivalent classroom area.

The principal economy resulting from a school designed to take full advantage of air conditioning is the much more compact structure that can be erected. This results not only in less ground space required but in the reduction of perimeter dimensions with a corresponding saving in wall facing, wiring, plumbing and windows. Aside from the monetary advantages, school air conditioning provides a greatly improved and stable indoor environment for teaching and learning, and makes possible the better control of lighting and the virtual elimination of visual and noise distractions.

In the preceding paragraph I have partially indicated the broad market and room for growth for air conditioning in all its phases. And it should be noted that my reference has been only to the domestic market. Still virtually untapped is the vast foreign market which is bound to develop as standards of living and economic conditions improve. Here again, Carrier is the leader of the industry, both in respect to exports and foreign manufacturing operations. The company has distributors and dealers in over 150 countries overseas and has 26 foreign subsidiaries, affiliates and licensees.

Carrier as the pioneer of the industry has been able to maintain its position despite rigorous competition in nearly every aspect of its business. While no attempt will be made here to detail the comprehensive line of air conditioning and refrigeration products offered by Carrier, some areas in which Carrier particularly predominates include: induction air conditioning systems for multi-story and multi-room buildings, central residential units, unitary air conditioners, particularly for commercial use, heat pumps and large absorption and centrifugal refrigeration equipment.

Although air conditioning is by far the more important segment of the business of Carrier, the company is also a factor in two other somewhat related industries. One of these is the manufacture of gas water heaters, furnaces, boilers and similar products through its Day & Night, Payne and Bryant divisions, acquired in 1955 by merger with Affiliated Gas Equipment, Inc. The other is the manufacture of turbines, electric motors and generators and other heavy equipment by its Elliott division, acquired in 1957.

I think it is fair to say that to date the results of operations of these divisions have not been up to expectations. In addition to the usual "digestive" difficulties encountered in entering into a new field and from taking over another organization, Carrier has been faced with extreme competitive conditions in both instances and a cyclical decline in the placing of orders by certain industries served by Elliott. However, it is the opinion of the management that in the long run the businesses and facilities of these divisions will benefit the company as a whole.

Carrier Research and Development Co., the division which performs all of the central research and long-range development work for the corporation, is engaged in programs of fundamental and applied research as well as development engineering devoted, among other things, to thermodynamics (including heat transfer), fluid flow, solid state phenomena, electrical engineering, air purification, metallurgy, acoustics, materials and processes. Here the broad objectives are to provide all of the operating divisions of Carrier corporation with experimental models and testing for future products and to also assist in the improvement of quality, the reduction of cost and the simplification of design of present products. This division has complete and modern facilities erected in 1958 adjacent to the main plant in Syracuse.

Along with several other companies, Carrier was selected by the U. S. Department of the Interior to develop a process for the conversion of sea and brackish waters to fresh water. A pilot plant employing a freeze-separation process with a capacity of 15,000 gallons per day was built and tested in Syracuse and is now being installed near Wilmington, North Carolina, for final tests.

Under contracts with the U. S. Navy the company is developing a 5KW power generator, by which electricity is produced through the direct conversion of heat by the thermoelectric process, and is also engaged in the design of thermoelectric equipment for a heating and cooling system for marine uses.

Carrier in a modest way also participates in the growing electronics industry through its subsidiary, Spectrol Electronics Corp. Spectrol manufactures precision potentiometers, servo control devices and other specialized related products. This subsidiary has made steady progress in both sales and earnings and offers a vehicle to Carrier for further expansion and diversification in this field.

As of July 31, 1960 Carrier had working capital of approximately $110,000,000 and total net assets of about $189,360,000. Current assets at the end of July were 3.48 times current liabilities. As of the same date, long-term debt amounted to $54,035,000, preferred stock $18,876,000 and common stock equity $109,691,000 at a book value of $53.74 per share of common stock outstanding.

The excellent balance sheet position of Carrier is due to a combination of retained earnings and a financing program that was executed over a period of years, concluding in 1957. This program included the securing of long-term insurance company loans on favorable terms; the public sale of 4⅛ subordinated debentures, due 1982, in the principal amount of $18,000,000 and the private placement of $5,900,000 par value of 4.8% cumulative preferred stock. Both of these issues were initially convertible into common stock at approximately $63.50 per share.

This carefully planned financing program was undertaken so as to provide funds to construct modern manufacturing and warehousing facilities to supplement those already in existence; to provide additional research and development equipment and facilities; and increase working capital.

A large portion of the capital obtained was not immediately employed and became for a considerable period of time what might be called "sterile funds." However, this financing program has proved to be sound, particularly in view of the ensuing general increase in money rates and higher construction costs.

Carrier now has modern manufacturing facilities designed to serve its basic business of air conditioning and related fields in Syracuse, New York; Indianapolis, Indiana; Tyler, Texas; and La-Puente, California. The Elliott division has its major plants in Jeannette and Ridgway, Pennsylvania, and the Spectrol operations are located in San Gabriel, California and on Long Island. In total the production capacity of these facilities is considerably in excess of the company's present annual sales volume.

A major portion of the additional working capital obtained has been used to finance distributor inventories under a field stocking program which is the most comprehensive and effective in the industry. Now that Carrier has a 20% interest in a national finance company this operation can be readily transferred to that company or to an existing wholly-owned credit subsidiary whenever such a transfer is advisable. This will make available to the company substantial additional cash that can be utilized to meet the working capital needs related to the increases in sales volume that are anticipated.

Thus, Carrier should be able to finance its further growth for a number of years by depreciation accruals, retained earnings and existing working capital.

Carrier has built up an outstanding management team and over the years has placed special emphasis on the training of younger executives for positions of greater responsibility. Along this line a number of key appointments were recently announced. Charles V. Fenn, Russell Gray, Melvin C. Holm and Walter Steitler were made Executive Vice-Presidents of the corporation. All of these individuals are long-time employees and their ages range from 43 to 52.

Mr. Fenn, who is also Assistant to President William Bynum, is in charge of a group of important corporate staff functions. Mr. Gray is the President of Carrier Air Conditioning Company, the division that was recently formed for the purpose of combining all segments of the corporation's air conditioning operations that go to market under the brand name "Carrier." Mr. Holm is Assistant to Chairman Cloud Wampler, as well as Chairman of the Planning Committee and Chief Financial Officer of the corporation. Mr. Steitler is the senior officer in over-all charge of the Elliott Company and Carrier Research and Development Co. divisions.

Although Carrier in all its markets faces intense competition and like most manufacturers is and has been involved in the "cost-price squeeze," the fact remains that the company is the leader of the air conditioning business and that this business is bound to benefit, either directly or indirectly, from the so-called population explosion and the technological advances that are taking place.

It is my best judgment that the common stock of Carrier Corporation, listed on the New York Stock Exchange, is presently undervalued.

Cleveland Analysts to Hear

CLEVELAND, Ohio—The Cleveland Society of Security Analysts will hold a meeting on Oct. 26 at the Mid-Day Club in the Union Commerce Building. B. E. Bensinger, President of the Brunswick Corporation will be guest speaker.

John Skiles Opens

WASHINGTON, D. C.—John A. Skiles is engaging in a securities business from offices at 501 Thirteenth Street, N. W.

$21,300,000 Pennsylvania Authority Bonds Marketed

Drexel — Harriman Ripley — First Boston — Kidder, Peabody head underwriting group.

Drexel & Co., Harriman Ripley & Co., Inc., The First Boston Corp. and Kidder, Peabody & Co. are joint managers of the group that offered publicly on Oct. 19 an issue of $21,300,000 State Public School Building Authority, Commonwealth of Pennsylvania, 6, 4.60, 3¾, 3.90, 4, 4.10, 4.20, 3½ and 1% school lease revenue bonds, series C, at prices to yield from 1.75% for those due Nov. 1, 1961 to 4.50% for the 2000 maturity. The group was awarded the issue at competitive sale on a bid of 98 for the combination of coupons, a net interest cost of 4.068403%.

The State Public School Building Authority, a body corporate and politic, was created in 1947 by an Act of the General Assembly of the Commonwealth of Pennsylvania. Under the Act, the Authority is empowered to construct, improve, maintain and operate public school buildings and furnish and equip them for use as public schools. In order to accomplish these purposes, the Authority is authorized by the Act to lease, as lessor, projects to local school districts and to charge and collect rentals sufficient to provide for the payment of the expenses of the Authority not provided for by appropriation of the Commonwealth.

Rated A-1 by Standard & Poor's, the series C bonds are being issued for the purpose of providing funds for the construction or completion of construction of 22 separate school building projects and for real estate costs; and the refunding of notes of the Authority.

Among those associated with the managers in the offering are:

Smith, Barney & Co.; Blyth & Co., Inc.; Lehman Brothers; Phelps, Fenn & Co.; B. J. Van Ingen & Co., Inc.; White, Weld & Co.; Equitable Securities Corp.; Alex. Brown & Sons; A. C. Allyn & Co., Inc.; Carl M. Loeb, Rhoades & Co.

Wertheim & Co.; Lee Higginson Corp.; F. S. Moseley & Co.; Stroud & Co., Inc.; Yarnall, Biddle & Co.; Hemphill, Noyes & Co.; Dominick & Dominick; W. E. Hutton & Co.; Shearson, Hammill & Co.; Reynolds & Co.

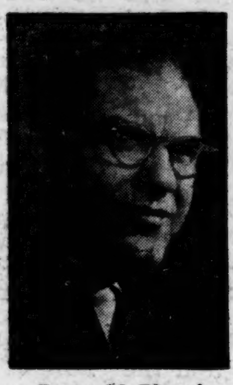
Bacon, Whipple & Co.; Hallgarten & Co.; Schaffer, Necker & Co.; A. G. Becker & Co., Inc.; American Securities Corp.; Wood, Struthers & Co.; First of Michigan Corp.; Roosevelt & Cross, Inc.; Rand & Co.; Barr Brothers & Co.

The Outlook for Steel and The Economy as a Whole

By Roger M. Blough,* *Chairman, Board of Directors United States Steel Corporation*

Optimism about the steel output and industry generally is expressed by Mr. Blough. He believes steel inventory cutting has gone about as far as it can go, the fourth quarter should show some improvement, and that 1960 steel production should approach the record 1955-57 levels. The steel industrialist berates businessman and consumers for their pessimism which he terms the least justified negative indicator of the business scene. Our past accomplishments, he adds, are but a prelude of what can and will be done in the coming years when tough competition "draws the best that is in each of us."

In 1960, steel *consumption* in the United States is expected to exceed substantially the consumption of the past two years, and to approach the record levels of 1955 - 1957. Steel ingot *production* in the 1955-1957 period averaged 115 million tons. In contrast, in 1960 it will range between 100 and 105 million tons. Basic to understanding this steel picture in the United States today is this fact: Steel consumers at present are and for the past few months have been using more steel than was being produced.



Roger M. Blough

The consumption of steel in our major markets—such as the automotive, construction, machinery, and container industries — has been maintained at good levels. The introduction of the compact car, though using less steel per unit, stimulated the sale of additional domestic autos; and total steel chew-up by the automotive industry this year is expected to be exceeded only by that in 1955. Construction steel use has matched the record total of 1957, even though dollar figures of building activity have skidded from the earlier highs this year. The production of industrial equipment has paralleled the record 1956 pace, and total industrial output has set a new record.

Explains Steel's Recent Decline

Why then didn't steel share in the general prosperity during the second half of 1960? The answer is two-fold. First, at the end of 1959, steel inventories in the hands of our customers were low —about 12 million tons of finished steel according to our estimates, and less than half the pre-strike amount. There were those who assumed that these low customer steel stocks would be built up by as much as ten million additional tons. During the first quarter, an estimated 25% of the steel shipped went into consumers' inventories. Steel output in those three months was at the high annual rate of almost 140 million ingot tons, greater than in any quarter in the history of the industry.

However, that quarter also saw the end of inventory building, and during May through September, steel users have been using up inventory, and consequently ordering less steel from the mills. In the third quarter, estimated steel consumption was at about the same rate as in the first quarter. Yet the industry operating rate averaged 55%, compared to 94% of capacity during the winter months. Thus, because of the swing from inventory building to inventory cutting, almost 15 million ingot tons *less* steel were produced in the third quarter than in the first quarter of this year.

You may ask why this marked change in inventory accumulation policy was made by our customers. Of course, their action may be related to what they see as their own immediate prospects, but there are certainly other factors; principal among them are these:

A capacity in the steel industry that assures ample and quick supply; the prospect of labor peace for some time to come; foreign sources of supply if domestic shortages develop; better management techniques in the control and planning of inventories; the cost and availability of funds for carrying inventories; and, rather importantly in the whole picture, an increasing squeeze on profits which makes the carrying of even normal inventories burdensome.

Predicts Fourth Quarter Improvement

Now we believe this inventory cutting has "gone about as far as it can go," and that further liquidation will be slight. As a resut, fourth quarter operations should show some improvement, and total steel output in 1960 should be within a range of 100-105 million tons. This will be the fourth straight year in which there has been net inventory reduction, in sharp contrast to the two years of 1955 and 1956 when consumers' inventory increases averaged the equivalent of five million ingot tons a year, and steel shipments to customers were correspondingly higher than consumption.

Aside from the inventory change, a second factor contributing to the lower level of steel output in 1960 compared to 1955 has been the excess of steel imports over exports. This means that some of the finished goods produced in the United States were made from steel purchased abroad. In the 1954-1955 period, these imports accounted for about two million tons of finished steel. In the 1959-1960 period, however, imports will be close to 8.5 million product tons—the equivalent of about 12 million ingot tons or nine million ingot tons more than the earlier period. This nine million ingot ton loss to the American steel industry in the 1959-1960 period by comparison with the 1954-1955 period is certainly a major factor contributing to the lower operating rates in 1960.

In addition, imports of products made of steel have increased during this period. For example, in 1955 only 57,000 passenger cars were imported by the United States. This year, car imports will be nearly a half million greater than in 1955. If these half-million cars had been produced domestically, it would have added close to one million ingot tons to this year's consumption of domestic steel.

On the other side of the same coin, steel exports were approximately 10 million ingot tons in the 1954-1955 period. But in the 1959-1960 period, exports will be only about seven million ingot tons. This is an additional net change of three million ingot tons adverse to our domestic steel production.

Result of Steel Imports and Exports

The net result of all of these differences between the 1954-1955 and 1959-1960 periods — entirely aside from the swing in inventory, that is, the increased steel imports, increased imports of automobiles, and reduced steel exports —has been a loss to our domestic steel production of about 13 million ingot tons. None of these changes, although extremely important to the steel industry, has had a significant effect on the ultimate purchasing of finished goods by the American consuming public. But they do help to explain why, despite a record high level economy in 1960, steel production in the United States will not reach the record output achieved in 1955.

Bright Inventory Look Ahead

With this background, what can we expect for the next few months in steel? Actually, the steel inventory performance of 1960 could be a bright spot in the outlook ahead. If inventories had been built up as ar as was first expected for 1960, it could have meant that sharp inventory liquidation could have come about in 1961. In contrast, most steel consumers will go into 1961 with stocks well trimmed, perhaps too well trimmed. There is little or no inventory fat to remove, and steel production should closely parallel steel consumption.

For the oved-all economy, 1960, although a year of record national and industrial output, has not been a year of all-out boom. We have had sizable gains in plant and equipment investment, but we have not seen the great increases in capacity of the 1956-1957 period. This approach to business spending is currently a healthy condition. I hope this means that in the immediate future whatever moderation in industrial activity might develop will be mild, for the excesses which have historically brought on sharp and violent contractions have been notable by their absence.

My preliminary view for early 1961 for steel looks something like this: Somewhat lesser activity might be experienced in some major steel markets — machinery, automotive, appliances and railroads. On the other hand, other markets such as containers and certain types of construction seem to have better prospects, although at this point the container market is down. We expect exports to improve gradually in comparison with imports, a plus factor currently for steel demand even if it proves to be only a temporary aid. For the long range, however, our export-import problem looms large indeed. Finally, by the end of 1960, stocks in the hands of steel consumers will be a little lower than they were at the beginning of the year. With steel inventories low, we do not anticipate further inventory liquidation, and going into 1961, production should at least match consumption.

Summary Outlook View

In summary then, I would expect steel output in the immediate months ahead to be based on the solid needs of consuming markets, not on a temporary inventory buildup.

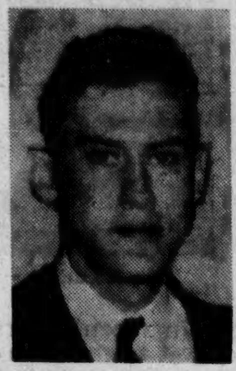
May I add this thought. The current period represents a slight pause in what I firmly believe is a strong and resilient long run growth trend for the steel industry and industry generally. Recently, I have become more and more concerned over the feeling of pessimism that seems to prevail in many areas—both among consumers and businessmen. This apparent lack of confidence in the basic fiber of our economic strength is by far the most negative indicator on the business scene, and, in my judgment, perhaps the least justified. Our accomplishments have been great, but the past is only the prelude to what can and will be done in the coming years.

The ability to generate further growth exists, and the inventive genius of our nation, backed up by rising spending for research and development, promises much in new products and new methods. Investment in research and development, the soundest investment I know of, has increased every year in the past decade and will undoubtedly continue to rise in the sixties. In a rapidly expanding competitive world, no country, no company, no individual can afford to lag behind in the parade of progress and innovation. And it is a period of tough competition, such as we face today, that draws out the best that is in each of us.

*An address by Mr. Blough at the 406th National Industrial Conference Board Meeting, Toronto, Canada, Oct. 13, 1960.

Michigan IBA Group Names Officers

DETROIT, Mich. — The Michigan Group of the Investment Bankers Association has elected Robert A. Benton, Jr., Manley, Bennett & Co., Chairman, succeeding Herbert D. Hunter, Watling, Lerchen & Company.



Robt. A. Benton, Jr.

Walter E. Auch, Bache & Co., was elected Vice-Chairman, and Charles A. Parcells, Jr., Charles A. Parcells & Co., was re-elected Secretary - Treasurer. Members of the executive committee, in addition to officers, are William P. Brown, Baker, Simonds & Co., Inc.; Herbert Schollenberger, Campbell, McCarty & Co.; Julius Pochelon, Kenower, MacArthur & Co.; Walter A. Bayer, F. J. Winckler & Co., Douglas H. Campbell, First of Michigan Corporation, and Alexander E. La Pointe, Manufacturers National Bank.

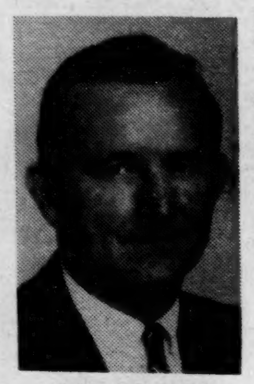
Blackburn Vice-Pres. of Albert McGann Secs.

ELKHART, Ind. — Thomas E. Blackburn has been elected Vice-President of Albert McGann Securities Company, Inc., of South Bend, members of the New York Stock Exchange, and will be in charge of the firm's newly opened office in Elkhart at 500 South Main Street.

NEWS ABOUT BANKS AND BANKERS

Consolidations • New Branches • New Offices, etc. • Revised Capitalizations

The First National City Bank of New York, Oct. 19 announced the appointment of John J. Larkin as a Vice-President in its Bond Administration Department.



John J. Larkin

During 20 years with The Federal Reserve Bank of New York Mr. Larkin was assigned to the trading desk and was closely connected with open market operations of the Federal Reserve System and with Treasury finance. In recent years he served as assistant to the Manager of the Federal Open Market Account.

In his new assignment with First National City he will be in charge of an expansion of services to customers in the buying and selling, of U. S. Government and Government agency securities.

* * *

The Chase Manhattan Bank, New York, has appointed seven Assistant Presidents, George Champion, President, announced Oct. 12. They are B. Lyle Appleford, Jr., Henry E. Coe, III, Jay J. Jaeger. Nicholas J. Santora, John T. Shea, Donald Townsend and Benjamin H. Walker. All are at the bank's head office.

Appointments to the Official Staff announced were: Philip Burns, Frank A. Schmidt, and Paul G. Tongue, Assistant Treasurers; William H. Lewis, Fred F. McCarthy, Charles J. Padgett and Julio B. Pazmino, Auditing Officers; John M. True, Organization Officer; and John B. Sleight, Systems and Procedures Officer.

* * *

Appointment of David J. Barry as a Vice-President of **Manufacturers Trust Company, New York, N. Y.,** was announced by Horace C. Flanigan, Chairman of the Board.

Mr. Barry is assigned to the security portfolio department of the bank. He joined Manufacturers Trust in 1936; was appointed an Assistant Secretary of the bank in 1950, and an Assistant Vice-President in 1954.

* * *

Manufacturers Trust Company, New York, N. Y. on Oct. 17 opened a new branch office at the southwest corner of Third Avenue and 69th Street (Manhattan).

The new banking office brings the total number operated by the bank in New York City to 119, of which 40 are located in Manhattan. Vincent J. Boller is the Officer in Charge of the new office.

THE CORPORATION TRUST COMPANY, NEW YORK

	Oct. 3, '60	Jun. 30, '60
Total resources	$4,299,930	$5,578,965
Deposits	269,412	1,846,699
Cash and due from banks	2,199,001	3,024,812
U. S. Government security holdings	600,239	600,204
Undivided profits	752,433	720,111

* * *

The **Societe Generale New York Agency** has announced the Formal Opening of its new banking quarters in the Societe Generale Building, 66-68 Wall Street, New York 5, N. Y.

* * *

THE FRANKLIN NATIONAL BANK OF LONG ISLAND, FRANKLIN SQUARE, NEW YORK

	Sep. 30, '60 $	Jun. 30, '60 $
Total resources	690,860,971	667,831,218
Deposits	615,510,195	596,844,780
Cash and due from banks	57,441,099	58,305,167
U. S. Government security holdings	94,912,910	98,957,009
Loans & discounts	446,562,960	432,745,196
Undivided profits	5,073,105	4,396,969

* * *

On Oct. 11 stockholders of **The Meadow Brook National Bank of Nassau County (Long Island, N. Y.)** approved the consolidation of **The Queens National Bank of New York** and the **Colonial Trust Company, New York,** with the Meadow Brook. The consolidation terms provide that shareholders of Queens National receive 223,125 shares of the consolidated bank, and shareholders of Colonial Trust 18,000 shares and $7,923,000 cash. The consolidation will make Meadow Brook the first Nassau County bank with offices in New York City, increase the assets of the bank to approximately $570,000,000 and the number of its offices to 54. The transactions contemplated are subject to the final approval of the Comptroller of the Currency.

The principal purpose of the sale of the additional shares is to provide the cash payment to be made to Colonial Trust stockholders. The balance of the net proceeds will be used for general bank purposes.

Upon completion of the offering and after the consolidation, the total outstanding shares of common stock of the bank will be 2,785,231 shares. The proposed offering was given in the Oct. 6 issue of the Chronicle on page 1369.

* * *

THE FIRST NATIONAL BANK OF PASSAIC, N. J.

	Oct. 3, '60 $	Jun. 30, '60 $
Total resources	235,434,586	236,421,521
Deposits	210,139,520	214,083,637
Cash and due from banks	37,600,370	31,029,102
U. S. Government security holdings	40,875,660	45,123,570
Loans & discounts	123,645,198	104,786,623
Undivided profits	5,113,626	4,600,913

* * *

The expected date of effect of the consolidation of **The First National Bank of Allentown, Allentown, Pa.,** and **The National Bank of Catasauqua, Catasauqua, Pa.,** is Nov. 4, under the title of The First National Bank of Allentown. Both banks are located in the Third Federal Reserve District.

What Is Holding Up Our Stock Market?

By Roger Babson

What is holding the U. S. stock market up? Mr. Babson's answer is European buying. Now on his way home from Europe, Mr. Babson expresses his views on the advisability of investing abroad and on the effect of foreign competition upon the American economy. When China breaks into world markets, he points out, competition will be very severe and this "may be worrying Mr. K. . . ."

EN ROUTE HOME. — My first thought as I complete my six weeks away from the United States is that we and Great Britain should hold together as a solid bloc and foundation for others of the free nations who are willing to put character and courage ahead of propaganda and selfishness.

Attitude of France

Certainly deGaulle has done wonders for France. He, however, appears to be a very conceited man and knows little about economics. If deGaulle should suddenly drop dead, most intelligent French people believe that France would revert to chaos. Surely I would invest no money in France. Mrs. Babson, who spent her time at the hotels and stores, fears that France is "pricing herself out of business."

Personally, I have not seen much of the Germans since I spent some months there just before World War I. There is no doubt, however, that they are a most industrious people. If the French endeavor is to give a little for as much as possible, certainly the Germans are supplying the most goods possible for as little as possible. As a result, great purchases both of machinery and of goods are being made in Germany by American manufacturers.

What About Italy?

Italy is also forging ahead in exports to the United States and all over the world. This especially applies to plastics, for the manufacture of which Milan has very large factories. This includes not only solid plastics, which will soon compete with steel in our new lightweight automobiles, but also textiles of all kinds from tableware to dress goods and clothing. Both the textile labor unions and the manufacturers of woven products already see the handwriting on the wall!

Spain

We spent ten days in Spain. We liked Spain and the Spanish customs. The hotels are good, the prices are reasonable, and the people are contented. Spain's sandy beaches on the sunny blue Mediterranean Sea are heavenly. Furthermore, an American cannot get lonesome because every streetcar and bus appears to be named "Coco Cola."

During my trip I met several buyers for such concerns as Sears, Roebuck, Montgomery Ward, Woolworth, McCrory - McLellan, and Macy's. These concerns are bringing goods from both Europe and Japan in shiploads to sell in the United States and South America — at low prices and at good profits. When China also breaks into these markets the competition will be very severe. This latter may be worrying Mr. K and be one reason for his tirades!

What About American Stock Market?

From the above, it looks as if the profits of our industrial companies will continue to decline, and be followed by dividend reductions. If competition increases, as I expect, it will result in unemployment followed by more labor strikes. Employers may not be about to reduce wages but they surely will resist wage increases and the "fringes" which are constantly increasing. I now see no reason for a real business depression, but certainly this situation does not now encourage another bull market, except possibly in the merchandising and specialty stocks.

Then what is holding our U. S. stock market up? My answer is "European buying." Our gold supply is surely eroding, yet every European with whom I have talked believes that the United States is the safest country in which to invest funds. Every German and Italian manufacturer who gets surplus funds (either from the sale of goods or perhaps from the sale of his entire business to Americans) is sending a portion of those dollars to the U. S. to invest in the Dow-Jones stocks, including steels!

Conclusion

Such foreign buying of U. S. stocks could hold the Dow-Jones Industrials up while earnings and possibly dividends decline. But I now hesitate to recommend either the purchase or sale of active stocks for capital gains or tax losses. Of course, we will know much more after Nov. 8. We then, however, should not judge the true effect of the election by what happens to the stock market during the first 30 days, but should have patience to wait a few months.

Named Directors

John S. Guest, an associate of Kuhn, Loeb & Co., has been elected a Director of South Puerto Rico Sugar Company and Cesar A. Calderon, well known Puerto Rican industrialist, has been elected a Director of the South Puerto Rico Sugar Corp., a wholly-owned subsidiary, G. Douglass Debevoise, President of the parent company announced.

THE MARKET . . . AND YOU

BY WALLACE STREETE

Stocks turned reactionary this week with the industrial average retreating from any full-scale attempt to break through the overhead resistance around the 600 level.

The 600 level three times stemmed selling drives early this year before it cracked on the September test. So there was little surprise to the fact that it is widely considered a resistance area now to upside progress. The market is recent weeks staged something of a classic maneuver, breaking through a floor area to react to 569 on Sept. 28, then rallying well to get back to 597, and in the process carving out a clearly defined trading range. Any subsequent breakout either way will be a strong indication of which way the market is to go for the immediate future.

Rails Desultory

The rail average has been little of a sustaining influence, in fact hasn't contributed anything definitive since it confirmed the industrial average's slump early in March to give a bear market signal to followers of the Dow Theory. Lately it has been content to tag along with the swaying of the industrial average in a desultory fashion.

The utility section was given to coasting for the most without trying to take over market leadership. This one had forged ahead through the summer selling, posting its year's peak in early September before it was chilled by the renewed selling in the other major sections.

Steels Still a Problem

Steels were still the big problem items for the general economy, as well as the stock market. The shares moved sluggishly, but still weren't indicating that the lag in the steel business is due for any sharp reversal.

Stock earnings reports were starting to trickle into print. It was still too early to settle whether or not some dividends were in jeopardy. The pattern seemed to be for good comparable profit readings with a year ago when the steel strike was whittling away at the earnings figures, or unfavorable comparisons by the few companies that were able to continue full-scale operations for a bit longer than the majors because of different union contracts.

* * *

Foods which are traditionally defensive in nature and standouts in bucking the downtrend, were clipped at times as profit-taking moved in, but not enough to take away their laurel of being one of the brighter sections of the list.

Oils Perk Up

Oils were still able to do well at times, making their new appearance in the limelight a bit protracted. Some oil issues started to bob up in the market recommendations. They have, among other things, the virtue of having long since been so severely depressed that there is little additional selling to come along in this area. It didn't hurt, either, that their business was recovering to where first Amerada, and then Mission Corp., were able to improve their dividend payouts.

Price/earnings ratios of beween 9 and 12-times, and yields running between 4½ to 6% are now enjoyed by a long list of the oils. This, plus the fact that investment company portfolios, so heavy with them a few years back are now pretty barren of oils, could result in the companies buying the oils if the industry continues to thrive.

The list of preferred domestic oils for investment attention is extensive. The list of issues that have been prominent on good price action has been equally long, including such well-known ones as Texaco, Richfield and Mission Corp. and also taking in Plymouth, Shamrock Oil, Honolulu and Argo Oil.

An oddity in the oil lineup is Kerr-McGee which has a superior earnings record through times both thick and fair. It used its geological know-how on a tangent in the 1950's by finding uranium, and the profit of its last fiscal year were bolstered a fourth by the profits on the metal as its heavy capital expense program finally turned the corner. Its controlled uranium subsidiary, Kermac Nuclear Fuels, is believed to have discovered over the years a fourth of the nation's uranium reserves.

One of the newer of the items to plan a consolidation is American Ice which, despite its name, distributes fuel oil and coal. It is planning a new corporation in league with U. S. Cold Storage and National Ice & Cold Storage which will be a corporation that also runs refrigerated warehouses, processes eggs and poultry and distributes frozen foods. American Ice is a relatively neglected item on the New York Stock Exchange that has held in about an eight-point range all year and offers an above-average 5% yield.

Aluminum Still Backwards

Like the oil industry, aluminum since 1957 has had to struggle with overproduction that both gave management serious headaches and chilled investor interest in stocks of such companies. Unlike the oils, the aluminum companies haven't yet shown convincing proof that they have turned the important corner although some of the followers of aluminum stocks are highly confident that they are about to resume their interrupted growth trend.

Competition is a relatively new factor in the light metal field, since until World War II Aluminum Co. of America was the only primary producer of the metal. This was broken up after the war by government intervention and the new competitors set up showed some excellent growth results, Reynolds Metals well out in the lead, until the excess capacity problem came about in 1957. Helping Reynolds show its excellent earnings record was the fact that it has had a stockpiling contract with the government until early last year. It is by no means sure that Reynolds will succeed in making up the government demand through its commercial customers immediately. Hence the premiere growth item in the field, and the wonder-worker marketwise during the lush period, is now considered something of a problem, until it is clear that it has pushed back to capacity operations and brighter earnings ability.

Paper Industry Difficulties

The paper industry, too, has had its problems in recent years that upset investor confidence. But out of it came a hard-school lesson of the ability of companies in the industry to cling to the good profit side of the ledger.

Kimberly Clark, to some, put on a showing that makes it something of a recession-resistant company. In the last decade, much of it a time of trail, Kimberly was able to step up both sales and income more than 250%. In part, it traces to the company's small participation in he industrial paper lines. And some of the periodic acquisitions it has negotiated have helped along. Its entrenched position in the consumer field also helped the company since the excess capacity problem of the industrial paper field was not one that affected consumer lines. Its interim earning figures have built up expectations for the company to show a new peak for the full fiscal year. It is not a high-yield item on its cash payment of $1.80, but that is usually larded with small stock payments to put the total more in line with the returns offered by its competitors.

[The views expressed in this article do not necessarily at any time coincide with those of the "Chronicle." They are presented as those of the author only.]

Bosworth, Sullivan To Name Officers

BOSTON, Mass.—On Oct. 27 the following new officers will be appointed by Bosworth, Sullivan & Company, Incorporated, 660 17th Street.

John C. Crawford, Secretary; John W. Coxhead, Jr., Treasurer; Nichols F. Truglio, Assistant Secretary; Ralph L. Gosselin, Controller; and Hudson Moore, III, Assistant Treasurer.

W. D. Gradison Adds

(Special to THE FINANCIAL CHRONICLE)

CINCINNATI, Ohio — Donald E. Cowgill has been added to the staff of W. D. Gradison & Co., Dixie Terminal Building, members of the New York and Cincinnati Stock Exchanges. He was formerly with Geo. Eustis & Co.

A. A. Hilton to Be Robert Martin Treasurer

On Oct. 20 Arthur A. Hilton will become Treasurer of Robert A. Martin Associates, Inc., 680 Fifth Avenue, New York City, members of the New York Stock Exchange.

Milwaukee Co. to Appoint

MILWAUKEE, Wis.—On Oct. 20 Michael A. Jacobs will become Assistant Secretary of the Milwaukee Company, 207 East Michigan Street, members of the New York and Midwest Stock Exchgs. Mr. Jacobs is Manager of the firm's Investment Research Dept.

European Coal & Steel Community Securs. Offered

Public offering of $35,000,000 long-term bonds and serial notes of the High Authority of the European Coal and Steel Community was made on Oct. 19. The bonds are being offered by an underwriting group managed by Kuhn, Loeb & Co., The First Boston Corporation and Lazard Freres & Co., and the serial notes by the managing underwriters only.

The offering consists of $25,000,000 of 5⅜% secured bonds due Oct. 15, 1980 and $10,000,000 of serial secured notes maturing in substantially equal amounts on Oct. 15, 1963-1965 and bearing interest at the rate of 4¾%, 4⅞% and 5%, respectively.

The bonds are priced at 97% and accrued interest, to yield 5.625%. The serial notes are priced at 100% and accrued interest.

Principal of and interest on the bonds and serial notes will be payable in New York City in United States currency.

The High Authority is obligated to redeem the bonds in 15 substantially equal annual instalments beginning in 1966, and at its election may redeem an additional equal amount of bonds in any year, at the principal amount plus accrued interest. The bonds will also be optionally redeemable on and after Oct. 15, 1970 at prices ranging from 101% to 100% two years prior to maturity, plus accrued interest in each case.

The European Coal and Steel Community was established in 1952 by a 50-year treaty among Belgium, France, West Germany, Italy, Luxembourg and the Netherlands. The purpose of the Community is the creation of a common market for coal and steel in the six Member Countries which comprise one of the principal coal and steel producing areas of the world.

The Community is authorized to make loans from the proceeds of its borrowings to increase production, reduce the cost of production, and encourage the distribution of coal and steel and their products, and to facilitate the reemployment of workers displaced by the establishment of the common market or by technical developments or changes in marketing conditions in the coal and steel industries.

The capital necessary to attain its objectives is obtained by the High Authority primarily through a levy on coal and steel production by Community enterprises, and by borrowing funds. The present rate of the levy, following several reductions, is 0.35% of the average value of production subject to the levy. The High Authority has the power to fix the rate of the levy up to 1%. The value of coal and steel production in the Community subject to the levy totaled $8.9 billion in the fiscal year ended June 30, 1960.

The High Authority as of Aug. 31, 1960 had outstanding borrowings equivalent to $201,649,903, including the $90,800,000 balance of a loan obtained in 1954 from the United States Government through the Export-Import Bank.

The six member Countries of the Community have a population of about 168,000,000, nearly equal to that of the United States. In 1959 the Community produced approximately 63,200,000 metric tons of steel compared with 58,000,000 tons in 1958 and 234,900,000 tons of coal compared with 246,400,000 tons in 1958.

Chicago Investm't Analysts Schedule Meetings

CHICAGO, Ill. — Investment Analysts Society of Chicago will have Frank Pace, Jr., Chairman of the Board of General Dynamics Corporation as guest speaker at their meeting to be held Oct. 13 at the Midland Hotel.

Companies to be featured at future meetings are General Tire & Rubber Company, Nov. 3; Textron, Incorporated, Nov. 17; American Broadcasting-Paramount Theaters, Dec. 1; Olin Mathieson Chemical Corporation, Jan. 19.

A special Forecast Forum is scheduled for Dec. 22.

Joins F. L. Putnam

(Special to THE FINANCIAL CHRONICLE)

BOSTON, Mass.—John W. Farren has become associated with F. L. Putnam & Company, 77 Franklin Street, members of the Boston Stock Exchange. Mr. Farren was formerly with Frederick C. Adams & Company.

Our Reporter on GOVERNMENTS

BY JOHN T. CHIPPENDALE, JR.

The Treasury said in its announcement last week that the November refunding operation involving $7 billion of 4¾% certificates and $3.8 billion of 2⅛% bonds would be handled in the traditional fashion. That is to say, the present owners of the aforementioned issues which are coming due next month will be the only ones who will be entitled to the refunding issue or issues. The return to the preemptive methods of Treasury financing was not unexpected even though the cash subscription scheme was used in the August refunding.

It was also indicated that the Treasury in its November venture, the terms of which will be made public by the end of this month, will again offer a package deal with an intermediate term obligation, most likely a short bond, being part of the basket. An issue with a due date of say eight to twelve years would not be unexpected as far as most money market specialists are concerned.

Mixed Views on Credit Outlook

The money and capital markets are still in a cautious mood even though the economic outlook appears to dictate an easier tone for money and credit in the foreseeable future. It is evident that the current thinking as far as the business pattern is concerned seems to be pretty much in agreement that there is a let-down in the economy. But there is considerable disagreement, however, as to whether we are in a recession or an adjustment of the rolling type. In addition, the extent of the set-back and its duration are also very debatable points.

Some money market specialists are of the opinion that the business pattern has been pretty much set for the foreseeable future as it is now. In other words, they believe that the economy is stabilizing on a high plateau with a sidewise movement to be expected for the next several months and an upturn to be in the cards by the spring of 1961 or shortly thereafter. It is their opinion that money and credit conditions will remain pretty much as they are now, even though there should be a modest firming in short-term rates because of the seasonal demand for funds, along with Treasury borrowings to finance the expenditures of the Government. The capital market, or the long-term sector, in the belief of these experts could move down a bit in yield because a moderate amount of ease is looked for in the cost of obtaining these funds.

A contingent factor, however, in the long-term sector of the market is the moving out of bonds from syndicates into the hands of investors as well as the proper digesting of the obligations which will be coming in the new issue market for sale. Even though the capital market could be moving into a period of some ease as far as the supply of funds is concerned, there will not be much of an impression made upon yields if the flotation of new corporate and tax-exempt bonds is to be made on such a scale that the long-term market will be flooded with them.

On the Other Hand

The other opinions in the money market appear to be veering in the direction that money and credit conditions will get appreciably easier with the passage of time and the deepening of the business decline. They believe that the discount rate will be lowered in the not too distant future even though this may not take place before the turn of the new year. In addition, a decrease in the prime bank rate is likewise anticipated by this group, with the cut in the deposit banks' lending rate to its largest and best customers to be coming about, also after the beginning of the year. It is believed that the monetary authorities should also have enough leeway under existing conditions and those which are likely to develop to make money and credit somewhat easier.

Further Credit Ease Abroad Seen Likely

It is evident that these specialists feel that money and credit conditions will continue to ease in the principal European money centers and they point out that the recent cut in the French Central Bank rate is a forerunner of such a move. A reduction in the British bank rate is looked for shortly, and this could be followed by reductions in other Central Bank rates. The decline in money rates in the main European money centers would take some of the pressure off the transfer of funds from here to those areas where rates have been higher. This would tend to retard if not practically end the outflow of gold from the United States.

Thus, with the dollar's international position secure, the monetary authorities would be able to increase the supply of money and credit and in that way bring down the cost of borrowing and at the same time counteract the forces which are creating the uncertainty in the economy.

Townsend, Dabney To Admit Grew

BOSTON, Mass.—Townsend, Dabney & Tyson, 30 State Street, members of the New York and Boston Stock Exchanges, on Nov. 1 will admit Edward W. Grew, Jr. to partnership.

Powell, Kistler To Admit Morris

FAYETTEVILLE, N. C.—On Nov. 1 James L. Morris will become a partner in Powell, Kistler & Co., 110 Old Street, members of the New York and Midwest Stock Exchange. Mr. Morris is Manager of the firm's syndicate and research departments.

Equity Annuity

WASHINGTON, D. C. — The Equity Annuity Agency, Inc. has been formed with offices at 1025 Connecticut Avenue, N. W., to engage in a securities business. Officers are Gerald C. Thomas, President; Worth L. Kindred, Executive Vice-President; Smith W. Brookhart, Vice-President; Benjamin H. Dorsey, Secretary; James K. Sullivan, Treasurer. Mr. Brookhart was formerly associated with Ball, Pablo & Company.

Antin Names President

Antin, Inc., 99 Wall Street, New York City, members of the Put and Call Brokers Association, has announced the election of William P. Freiman as President.

Knack With Cliff Rahel

(Special to THE FINANCIAL CHRONICLE)

OMAHA, Neb.—George E. Knack has become associated with J. Cliff Rahel and Company, First National Bank Building. He was formerly Sioux City, Iowa manager for Waddell & Reed, Inc.

STATE OF TRADE AND INDUSTRY

Continued from page 12

Rambler and Lark collectively turned out 13,020 cars.

Ward's said about 5,850 B-O-P compacts, including the Buick Special, Oldsmobile F-85 and Pontiac Tempest, were scheduled along with 5,400 Corvairs.

At Chrysler Corp., Valiant and Lancer represented about 12% or 5,700 units of the industry's compact production.

Ward's noted that weekly car output, which has been swirling upward gradually since mid-September, advanced 6% this week over last week.

An estimated 149,150 cars were built compared with 140,832 last week and 133,430 in the same period last year. However, the industry is expected to run below its October schedule.

Most Ford Motor Co. plants and American Motors Corp. proceeded on a six-day schedule this week. All other assembly plants followed a five-day routine.

Among U. S. truck builders, *Ward's* said that Ford wound up the 1960 model run Friday. Production of the 1961 Ford Econoline truck series begins Oct. 24.

Meanwhile, U. S. truck volume rose 4.9% this week. Unit counts were 18,769 vs. 17,936 a week ago.

Car Loadings for Oct. 8 Week Totaled 646,016 Cars, an Increase of 15.9% Above Same 1959 Week

Loading of revenue freight for the week ended Oct. 8, 1960, totaled 646,016 cars, the Association of American Railroads announced. This was an increase of 88,440 cars or 15.9% above the corresponding week in 1959, which was affected by the nationwide strike in the steel industry, but a decrease of 40,505 cars or 5.9% below the corresponding week in 1958.

Loadings in the week of Oct. 8 were 14,371 cars or 2.3% above the preceding week.

All districts reported increases compared with the corresponding week in 1959. All districts reported decreases compared with the corresponding week in 1958.

There were 12,224 cars reported loaded with one or more revenue highway trailers (piggyback) in the week ended Oct. 1, 1960 (which were included in that week's over-all total). This was an increase of 3,036 cars or 33.0% above the corresponding week of 1959 and 5,569 cars or 83.7% above the 1958 week.

Cumulative piggyback loadings for the first 39 weeks of 1960 totaled 414,959 for an increase of 105,970 cars or 34.3% above the corresponding period of 1959, and 216,962 cars or 109.6% above the corresponding period in 1958. There were 55 Class I U. S. railroad systems originating this type traffic in the current week compared with 50 one year ago and 40 in the corresponding week of 1958.

Intercity Truck Tonnage Up Slightly Over 1959 Week

Intercity truck tonnage in the week ended Oct. 8, was less than 1%—0.7%—above the volume in the corresponding week of 1959, the American Trucking Associations, Inc., announced. Truck tonnage was 1.8% below the previous week of this year.

These findings are based on the weekly survey of 34 metropolitan areas conducted by the ATA Research Department. The report reflects tonnage handled at more than 400 truck terminals of common carriers of general freight throughout the country.

Lumber Shipments Were 5.3% Above Production During Week Ended October 8

Lumber shipments of 455 mills reporting to the National Lumber Trade Barometer were 5.3% above production during the week ended Oct. 8, 1960. In the same week, new orders of these mills were 1.1% below production. Unfilled orders of reporting mills amounted to 26% of gross stocks. For reporting softwood mills, unfilled orders were equivalent to 14 days' production at the current rate, and gross stocks were equivalent to 52 days' production.

For the year-to-date, shipments of reporting identical mills were 2.8% below production; new orders were 5.6% below production.

Compared with the previous week ended Oct. 1, 1960, production of reporting mills was 8.7% below; shipments were 7.6% below; new orders were 6.3% below. Compared with the corresponding week in 1959, production of reporting mills was 16.1% below; shipments were 6.4% below; and new orders were 9.0% below.

Business Failures Drop Moderately in October 13 Week

Commercial and industrial failures turned down to 326 in the week ended Oct. 13 from 343 in the preceding week, reported Dun & Bradstreet, Inc. Despite this dip from the 16-week high, casualties were noticeably heavier than a year ago when 252 occurred or in 1958 when there were 288. Also, failing businesses exceeded by 38% the pre-war level of 237 in the comparable week of 1939.

Failures with liabilities of $5,000 or more dipped to 291 from 303 in the previous week but were considerably heavier than the 221 of this size last year. Small casualties, those involving liabilities under $5,000, were off to 35 from 40. Thirty-five of the concerns failing had liabilities in excess of $100,000 as against 46 in the preceding week.

Retailing casualties, down to 143 from 168, and commercial service, down to 21 from 38, accounted for all of the week's decline. In contrast, the toll among manufacturers climbed to 66 from 46, and edged

up among wholesalers to 40 from 36, and among construction contractors to 56 from 55. More failures occurred than last year in all industry and trade groups. The wholesaling toll turned up most sharply, more than doubling its 1959 level.

Regionally, week-to-week declines were reported in six of the nine major regions. Failures in the Middle Atlantic States dipped to 80 from 99, in the East North Central to 46 from 61, and in the Pacific States fell to 69 from 93. On the other hand, the South Atlantic toll climbed steeply to 64 from 25, and the Mountain States' toll to 23 from 9. There was no change in the West North Central Region which held even at 11. Casualties remained approximately the same or exceeded last year's level in all regions.

Wholesale Food Price Index Up Fractionally This Week

The Wholesale Food Price Index, compiled by Dun & Bradstreet, Inc., advanced fractionally from the prior week and it moderately exceeded that of a year ago. On Oct. 10 the index rose 0.3% to $6.03 from the week earlier $6.01, and it was up 2.9% from the $5.86 of the corresponding period a year ago.

Commodities quoted higher in wholesale cost this week were flour, wheat, hams, bellies, lard, cottonseed oil, eggs, steers and hogs. Lower in price were corn, sugar, coffee, cocoa, potatoes and lambs.

The Dun & Bradstreet, Inc. Wholesale Food Price Index represents the sum total of the price per pound of 31 raw foodstuffs and meats in general use. It is not a cost-of-living index. Its chief function is to show the general trend of food prices at the wholesale level.

Wholesale Commodity Price Index Declines to New 1960 Low in Latest Week

Reflecting lower prices on some grains, sugar, rubber and steel scrap, the Daily Wholesale Commodity Price Index, compiled by Dun & Bradstreet, Inc., fell to 266.37 (1930-32=100) on Friday, Oct. 7, the lowest level so far this year. The previous 1960 low was 266.45 which occurred on Aug. 30. On Monday, Oct. 10, the index rose fractionally to 266.55. This compared with 267.26 a week earlier and 276.26 on the corresponding date a year ago.

There was a slight dip in corn prices during the week as a result of heavy harvesting in many growing areas; corn trading was up appreciably from a week earlier. Oats prices were steady and trading showed little change from the preceding week.

Increased offerings stimulated trading in wheat and prices moved fractionally higher; both domestic and export buying of wheat moved up noticeably. In contrast, a slight decline occurred in rye prices, but transactions were steady. Soybean supplies were plentiful, trading was steady, and prices were for the most part unchanged.

Purchases of flour lagged and prices were down somewhat from the preceding week; a sizable request was made by the United Arab Republic for flour. Domestic purchases of rice were sustained at high levels and export buying moved up appreciably, with sales made to India, Burma, and Thailand.

Sugar trading was quiet this week and prices dipped moderately. Although volume in coffee was sluggish, prices remained unchanged from a week earlier. A slight dip occurred in cocoa prices and transactions were down moderately.

Transactions in hogs moved up appreciably and prices were significantly higher than a week earlier; hog supplies were steady. A fractional advance occurred in prices on steers, despite a marked dip in supplies which curtailed trading. Lamb prices were steady and volume showed little change from the preceding week.

Prices on the New York Cotton Exchange eased slightly in the latest week. Exports of cotton in the week ended last Tuesday were estimated at 37,000 bales, compared with 42,000 a week earlier and 67,000 a year ago. For the season through Oct. 4, exports amounted to about 416,000 bales, compared with 378,000 during the corresponding period a year ago.

Marked Rise in Apparel at Retail

Cool weather in many areas stimulated consumer buying of men's and women's apparel this week which helped boost over-all retail trade in the week ended this Wednesday appreciably over a year ago. Although more moderate, year-to-year gains also occurred in furniture, television sets, food products and new passenger cars, volume in some major appliances, floor coverings and children's apparel remained close to last year.

The total dollar volume of retail trade in the week ended this Wednesday, Oct. 13, was 3 to 7% higher than a year ago, according to spot estimates collected by Dun & Bradstreet, Inc. Regional estimates varied from the comparable 1959 levels by the following percentages: Middle Atlantic +10 to +14; South Atlantic +9 to +13; New England +4 to +8; West South Central +2 to +6; Mountain +1 to +5; East North Central and East South Central 0 to +4; West North Central —2 to +2; Pacific Coast —8 to —4.

Nationwide Department Store Sales Up 2% From 1959 Week

Department store sales on a country-wide basis as taken from the Federal Reserve Board's index for the week ended Oct. 8, 1960, show an increase of 2% over the like period last year. In the preceding week for Oct. 1, an increase of 4% was reported. For the four weeks ended Oct. 8, a 1% increase was reported. The Jan. 1 to Oct. 8 period showed a 2% increase.

According to the Federal Reserve System department store sales in New York City for the week ended Oct. 8 were 13% above the like period last year. In the preceding week ended Oct. 1, sales were 12% above the same period last year. For the four weeks ending Oct. 8 a 7% increase was reported over the 1959 period, and from Jan. 1 to Oct. 8 there was a gain of 6% above the level achieved in the 1959 period.

Thornton, Mohr Absorbs Pill & May Firm

MONTGOMERY, Ala.—Thornton, Mohr & Farish, Inc., First National Bank Building, has absorbed the business of Howard E. Pill & May, Inc., and is maintaining a second office in Montgomery in the Bell Building. Mr. Pill and Mr. May have become Vice-Presidents of Thornton, Mohr & Farish, Inc., and Mr. May is office manager of the new branch.

Form R. C. Spangler Inc.

PITTSBURGH, Pa.—Richard C. Spangler, Inc. has been formed with offices at 91 Central Square to engage in a securities business. Officers are Richard C. Spangler, Jr., President and Treasurer. Nancy M. Spangler, Secretary; and Russell A. Salton, Vice-President. Mr. Spangler was formerly with McKelvy & Co. and Francis I. du Pont & Co.

With First Columbus

(Special to The Financial Chronicle)

COLUMBUS, Ohio — Donald J. Maloney has become affiliated with The First Columbus Corporation, 42 East Gay Street. In the past he was Youngstown manager of the Ohio Company.

FROM WASHINGTON ...Ahead of the News

BY CARLISLE BARGERON

Your correspondent had a racial experience once with Vice-President Nixon. A friend of mine had a project of a Negro golf club here in Washington. At a golf dinner at a country club, I thought it would be fun to introduce him to Vice-President Nixon. I took him over and said: "Mr. Vice-President here is a man who intends to establish a Negro golf club and at the dedication dinner he intends to ask you and Mrs. Nixon."

Without a moment's hesitation Nixon replied: "I'll be delighted to come."

He then wanted to know how the fellow intended to finance the club and said that if he needed any financial assistance he, Nixon, thought he could arrange it.

Nixon subsequently explained that he liked to encourage Negro athletes and took every opportunity to do it.

I tell this story because there is not the slightest doubt that Nixon will do everything he can to advance the Negro.

Yet he isn't going to get the Negro vote. Mrs. Roosevelt sewed that up when, as wife of the President, she went around the country visiting in their homes. She did more to give the Negro what is called dignity than any person in our time. Not only that, but the Negroes know that the Democrats will mean more relief than the Republicans. Our relief charge is now tremendous but it will be more if the Democrats come in.

Even in the South, the Negroes will vote for Kennedy in spite of the Republican promises. The Southern Democrats don't want them to vote either. But thousands and thousands of them will vote in the next election, in spite of the Democrats, and instead of voting for the Republicans who brought this situation about, they will vote Democratic.

Nixon's effort to get the Negro vote has cost him dearly. The Vice-Presidential candidate, Henry Cabot Lodge's recent statement about putting a Negro in the Cabinet, probably cost the Republicans Virginia and North Carolina and maybe Texas. Made before a Harlem group, it is understood what Lodge had in mind, but the Negroes are not concerned in the fact that one of their men might be a cabinet officer. They are concerned, about what the rank and file get and what they expect to get is more relief.

Nixon has otherwise frittered away his chances of carrying the South. And to him in this close election that is important. As your correspondent sees it now, Kennedy will carry all of the Eastern states, including New York, Pennsylvania and New Jersey. Nixon will pick up a flock of the Midwestern states, Iowa, Nebraska, Kansas, Colorado and the like. In that event he will need several Southern States. He isn't going to get them. I would bet on Tennessee and Texas but I would be wary about doing so.

North and South Carolina and Florida which were once looked upon as being in his camp are now looked upon as lost.

Nixon hasn't been making the aggressive campaign of which it was thought he was capable, nothing like the campaigns he made for Congress and for Senator or even as the Vice-Presidential candidate in 1956. The smear that he was a Tricky Dick has apparently gotten under his skin and he is afraid to let himself go.

He had an issue of a sort in the Matsu and Quemoy disagreement. In view of what Kennedy said there seems to be little reason to doubt that, if Kennedy is elected, the Communists will move to take those islands.

Kennedy has said they are not worth defending. Probably not, except that to surrender them we would lose face in the Far East and all of Asia. Nixon after his statement that he would defend them has moved over to the Eisenhower position which is that he would defend them if there were a move toward Formosa. Inasmuch as an attack on the islands would manifestly be this, that means we are committed to defend them.

But this issue is too remote. It is doubtful if Kennedy and Nixon can get the country worked up enough about the islands to change any material number of votes. Nixon will have to come up with something far better if he hopes to win. How about Kennedy's tie-up with Walter Reuther and the other big labor bosses? Nixon apparently thinks by soft peddling this issue he will get some of the labor votes. Not from the laboring men I have talked to.

Dealer-Broker Recommendations

Continued from page 8

& Co., 17 Wall Street, New York 5, N. Y.

J. J. Newberry — Memorandum—Francis I. du Pont & Co., 1 Wall Street, New York 5, N. Y. Also available are memoranda on **Hammermill Paper, W. T. Grant** and **Atchison, Topeka & Santa Fe.**

Phillips Petroleum Co. — Memorandum — Woodcock, Moyer, Fricke & French, Inc., 123 South Broad Street, Philadelphia 9, Pa.

Procter & Gamble Company—Review—Alfred L. Vanden Broeck & Company, 55 Liberty Street, New York 5, N. Y. Also available are reviews of **Real Estate Investment Trust of America** and **Vick Chemical Company.**

Puerto Rico Telephone Company —Analysis — Richard J. Buck & Co., 4 Albany Street, New York 6, N. Y.

Roadway Express Inc.—Memorandum—Fulton, Reid & Co., Union Commerce Building, Cleveland 14, Ohio.

J. C. Robinson Co.—Progress Report — Morrison & Frumin, Inc., Penobscot Building, Detroit 26, Mich.

Security Columbian Banknote Company — Analysis — Laird, Bissell & Meeds, 120 Broadway, New York 5, N. Y.

Simmonds Precision Products, Inc. —Report—H. M. Frumkes & Co., 120 Broadway, New York 5, N. Y.

Simplicity Pattern—Discussion—Shields & Company, 44 Wall St., New York 5, N. Y.

Steel Company of Canada Limited —Review — James Richardson & Sons, Inc., 14 Wall Street, New York 5, N. Y.

Treesdale Laboratories & Textile Processing — Memorandum—Craig-Hallum, Inc., 133 South Seventh Street, Minneapolis 2, Minn.

Wallace & Tiernan—Memorandum —A. T. Brod & Co., 120 Broadway, New York 5, N. Y.

PUBLIC UTILITY SECURITIES

BY OWEN ELY

Duke Power Company

Duke Power, with annual revenues of $162 million, is one of the largest electric utilities in the south, and has an excellent growth record. A substantial amount of the common stock is held by various institutions set up by the Duke family (the Duke Endowment Trust and the Doris Duke Trust together own two-thirds of the stock), and thus the floating supply is probably less than for the average utility.

The company serves a population of nearly 2.5 million in the Piedmont sections of North and South Carolina, where textiles are the major industry. Electricity provides 97% of revenues while water, transit and miscellaneous operations account for the remaining 3%. (Local transportation service is provided in four communities and water in three.) Electricity is retailed to some 703,000 customers and is sold at wholesale to 34 municipalities serving 125,000 customers and to rural co-ops serving 86,000 customers. Major cities served at retail include Charlotte, Winston-Salem, Durham, Salisbury and Burlington, N. C., and Greenville, Spartanburg and Anderson, S. C.; wholesale, High Point and Gastonia, N. C., and Rock Hill, S. C.

Wholly-owned subsidiaries are Superior Yarn Mills, Mill-Power Supply Company and Wateree Power Co. Duke Power also owns 161,434 shares of J. P. Stevens and 10,090 shares of Piedmont & Northern Railway. Together with Virginia Electric & Power, Carolina Power & Light, and South Carolina Electric & Gas, it is a member of the Carolinas-Virginia Nuclear Power Associates.

Electric revenues in 1959 were about 39% residential, 15% commercial lighting, 36% industrial and 10% miscellaneous. Of the industrial component 25% was textile and 11% other industrial power. The average residential rate of 1.99c per kwh was about 20% under the national average, and residential usage exceeded the U, S average by nearly 40%.

In the decade ending 1959 revenues increased 116%; the average number of residential customers was up 60% and residential annual use gained 118%, while average kwh revenue declined from 2.33c to 1.99c reflecting promotional rates.

Duke has had a consistent growth record with respect to net earnings. While share earnings dropped rather sharply in 1949-51, due apparently to heavy financing, since 1951 they have shown a steady gain from 83c in that year to an estimated $2.30 for calendar 1960 (compared with $2.16 last year and $2.08 in 1958).

Generating capability of the system at March 31, 1960 was 3,058,000 kw compared with the 1959 peak load of 2,467,000 kw. While in 1949 hydro output was about 35% of total electric output, in 1959 it constituted only 13%; hydro generation was somewhat less than 10 years earlier, while steam output was 3.6 times as great. While hydro capacity has remained practically unchanged in the past decade, steam capacity has increased 270% and this rapid increase has permitted installation of modern plants with high efficiency. In 1959 the heat rate at the company's best plant was 9,174 and the average for all plants 9,820 btu per kwh, compared with 14,389 in 1947. The company saved about $15 million in fuel costs in 1959 due to the decade of improvement of steam generating efficiency. Coal at an average cost of $7.25 per ton furnished about 95% of fuel and natural gas about 5%.

Due to its low promotional rates, the company is waging a successful campaign to promote electric space heating. Last year it added 24 residential heating specialists in its Promotion Department and also trained some 1,350 men employed by electric heating bureaus and consulting engineering firms. The annual report stated:

"The combination of training, additional personnel, aggressive promotion and the low all-electric residential rate introduced in October, 1958, is yielding good results, as evidenced by the increase in electrically-heated homes, from 632 at the end of 1958 to 1,705 at the end of 1959. This increase of 1,073 during the year included homes using electric heating in baseboard units, ceiling cable, and wall panels, as well as heat pumps which provide both heating and cooling."

Duke Power has been selling recently on the American Stock Exchange around 47 compared with a 1959-60 range of 53-41½. At 47 paying $1.40 and earning $2.22 the yield is 3%, and the price-earnings ratio about 21. Dividend payout is only 63% indicating the possibility of a dividend increase, although paying is customarily conservative.

Robert Glass With Ross, Lyon & Co.

Robert I. Glass has become associated with Ross, Lyon & Co., Inc., 41 East 42nd Street, New York City, members of the New York Stock Exchange, as director of research and new business.

Greenshields Co. Names Directors

Greenshields & Co. Inc., 64 Wall Street, New York City, has announced the election of Bradshaw D. Firstbrook of New York, Rolf W. MacKeen of Montreal, and Frank D. Trebell of Toronto to the firm's board of directors.

Burgess & Leith To Admit McNeish

BOSTON, Mass. — Burgess & Leith, 53 State Street, members of the New York and Boston Stock Exchanges on Nov. 1 will admit David D. McNeish to partnership.

Investment Possibilities In the American Economy

Continued from page 5

that I need not apologize for anything I said a year ago.

I did not expect a bull market and I also did not expect a business boom. A year ago this was the minority opinion.

Business activity actually has maintained a high plateau throughout the year with the index of industrial production fluctuating within two percentage points of the historic peak, but the high hopes of the more optimistic forecasters have met with disappointment.

Since a boom in the U. S. this year seemed unlikely, I felt that corporate profits would, at best, only hold level. This prediction also turned out to be accurate. Despite prosperity and new records in employment, gross national product and other economic yardsticks, 1960 corporate profits may be as much as 10% below last year. The main reason is that our capacity to produce just about everything is more than ample under almost any normal circumstances. Pricing, therefore, is keenly competitive; and the fact that many sectors of American industry are exposed to foreign competition, both in the U. S. and in third markets, has accentuated the problem. Continued progress is being made, to be sure, in reducing costs through greater manufacturing efficiency. This, however, is largely nullified, and often more than offset, by the demands of organized labor for a steadily increasing share in the national product.

The cost squeeze, in face of increasing competition, is a major problem. It explains certain protectionist tendencies as well as at least a "neutralist" attitude towards inflation which for so many years in the past has eased, if not solved, problems of this kind, and which causes some of our friends abroad to believe that we may tinker with the dollar.

Securities Market

I have already mentioned that the Federal Reserve considered it necessary a few months ago to soften its credit policy in order to avert a possible contraction in business activity. It is too early to judge whether these efforts will meet with success. If we should be forced to tighten credit again in order to stem the outflow of gold, the consequences might be unpleasant. What is now a "slow-down" could deteriorate into a "recession."

Now to the securities markets. The shift towards an easier credit policy has had a tremendous impact on our market for short- and long-term debt securities. Treasury bills and notes which yielded as much as 5% last fall, now are yielding only 2¼-3%. The price of long-term Treasury bonds, such as the 4s of 1980, recovered from 93¼ to 102½. Best quality corporate bonds are paying less than 4½%. For the foreseeable future I expect the bond market to be firm, but a further significant decline in interest rates does not seem probable.

Our stock market has been in a downward trend for more than a year. A typical year-end rally carried the Dow-Jones industrial stock average to a new peak in January, but this advance lacked breadth and did not carry through. The existence of a bear market also was concealed by the strength in stocks of a defensive character, such as the utilities, foods, etc. and by the boom in growth stocks in the fields of science and electronics. Last month all stock averages, except utilities, declined to new lows, leaving no doubt as to the major trend.

Growth Stocks Preference

Some who receive my bimonthly market opinions may know that I have been consistently cautious for some time. The most recent decline has confirmed my pessimism, but it does not make me more bearish. On the contrary unless we run into a business recession which is by no means a foregone conclusion, many stocks probably have seen the worst and are approaching a level at which they represent good value and would be attractive for long-range investment.

The stock market decline and the advance in bond prices reduced, but did not close, the gap between bond and stock yields. Even tax-exempt bonds bring a higher return than most of the more desirable common stocks. Dividends have ceased to be the principal criterion for selecting stocks. As an officer of one of the most highly regarded trust companies in New York put it: "the dividend return has become an index of unattractiveness." High stock yields have become suspect. The emphasis is on earnings, present and especially projected future earnings, and most stock buyers do not particularly care whether or not these earnings are paid out in dividends or retained. For tax reasons they usually prefer the latter.

No one will argue the validity of a common stock investment policy which places the strongest emphasis on growth. It has become the gospel in the U. S. and, so far as I can judge, in Europe too. As a result sound growth stocks even now are selling at levels which appear exorbitant in relation to present earnings.

Most of us think as individuals; we are conscious of our limited span of life. The institutional investor is less inhibited psychologically to take a truly long-term point of view. When he buys the stock of a growth utility yielding 3%, while the high-grade mortgage bond of the same company assures a 4½% yield for the next 30 years, he is betting that the yield differential will disappear within 10 years, at the most in 15 years, and that in the long run the dividend return of the stock will exceed the yield of the bond. In addition, of course, the stock offers the possibility, perhaps even probability of capital appreciation, and it provides a hedge against inflation.

This philosophy of the institutional or professional investor has been largely responsible for the uninterrupted bull market in utility stocks and certain industrial equities which offer a similarly high degree of assurance of growth in both volume and per share profits. These institutional portfolios—the pension funds, mutual investment trusts, insurance companies, educational, religious and charitable institutions, etc.—have been absorbing huge amounts of common stocks, far in excess in recent years of new stock flotations.

The supply of good growth stocks was becoming even more limited, paradoxically, as prices rose, because our capital gains tax discourages profit taking. To match the limited supply with a steadily growing investment demand for stocks, prices had to advance and they certainly did. While corporate profits have also been increasing, stock prices during the past decade increased about four times faster than profits!

Still Favors Growth Stocks

The growth stock cult may have gone too far in many instances, especially in the case of companies which are still in such an early development stage when steep

percentage gains in earnings are not particularly meaningful. Yet, I believe, it is axiomatic that only growth stocks are suitable for long-range investment.

Defines Growth

"Growth," to me, means growth in per share earnings at an above average rate. Mere increases in size are meaningless unless accompanied by a corresponding gain in profits. Extraordinary growth is by no means confined to spectacular industries such as electronics or drugs or Polaroid cameras. One also finds it in soups and soaps, in cigarettes and tissue paper. One finds it in car rental, long distance trucking, book publishing and hospital supply companies. Avon Products, engaged in the prosaic business of peddling cosmetics door-to-door, has a far superior growth record than Union Carbide. Huge research and capital expenditures, while absolutely essential in many industries, are by no means the sole criteria or even a guarantee of future growth.

Growth is not difficult to recognize—one only has to look at the record of per share earnings over a significant period of time, five to ten years are sufficient, and inquire whether there are reasons why the past trend should not be projected into the future.

The compounded annual rate of growth should be weighed by quality considerations, such as financial strength, volatility of the industry, competitive factors, etc. Generally speaking, a 5% rate of growth, barely above average, may justify a price-earnings ratio of 15; a 10% rate, doubling in less than 8 years, of 20; a 15% rate, doubling in 5 years, 25-30. There are very few established companies which can sustain such pace for any length of time, and only in rare instances can a higher price-earnings ratio be justified.

These ratios are important, although it is equally important to keep in mind that they are nothing more than guiding yardsticks which move up and down with the general tone, attitude or psychology of the market. In other words, when we talk about a 15 times earnings ratio being appropriate, this is not absolute, but relative to other stocks. In a bull market, this 15 may rise to 17 or 18, and in a bear market it may drop to 13 or 12. Also, depressed earnings during a severe recession should be appraised more generously than peak earnings during a boom.

If you accept this premise of a close interrelation between price-earnings ratios and the rate of growth of per share earnings, you will easily understand, for instance, the eclipse of oil stocks. This group, the favorites of a few years ago, has failed to register significant growth. When this became more generally understood, the popularity of oil stock waned.

Questions "Wunderkinder" Stocks

Of course, as always, there are non-conformists in the stock market, too. There are the "wunderkinder" which sell at an infinite multiple of hopes: or such unique stocks like I.B.M., Polaroid or Texas Instruments which command prices that are awfully hard to justify. Do you realize that I.B.M., presently valued at between $9 and $10 billion is selling at the equivalent of Royal Dutch plus Ford plus Union Carbide? Such things can not be rationalized, and maybe we are making a mistake trying to do so.

Now, where do we go from here? Should American stocks be bought? And if so, which?

Today, I am more affirmative than I was last year. In general I feel that the majority of good American stocks are once again selling at fair prices, probably at much more reasonable levels than the stocks of the Common Market countries or of Great Britain. Quite possibly we may not yet have seen the lows of this "correction," or whatever we may want to call it, but these are prices at which the investor is likely to show good profits over a period of time. Putting it differently: today's buyer may be a bit premature, but he is not overpaying.

We have our problems, and I am the last one to minimize them. But, we also have tremendous vitality, ingenuity and resilience. I am not a flag-waving American, but as a born European who understands, loves and admires his adopted country. There may be times when we are impatient with our not too astute diplomacy, or when we feel that our labor unions are intolerably selfish, or when we all seem soft, lazy and complacent. But all these shortcomings or weaknesses are part of the "luxuries" we think we can afford. Yet, it will be far more realistic to look at the U. S. as a relaxed giant. If aroused, he is all powerful. And, let me emphasize this once again: there is no country that is more united within itself than the United States.

*An address by Dr. Biel before bankers and institutional investors in Zurich, Basle, Lausanne and Geneva, Switzerland, during October, 1960.

Wenwood Debens. Are Marketed

Michael G. Kletz & Co. Inc. and associates offered on Oct. 19, $550,000 of Wenwood Organizations Inc. 7½% subordinated sinking fund debentures, due Oct. 15, 1970, with common stock purchase warrants attached. The debentures are offered at 100%, plus accrued interest from Oct. 15, 1960 to date of delivery.

Net proceeds from the financing will be applied by the company toward the repayment of a bank loan incurred in connection with its Sarasota construction project; to retire its outstanding 10% debentures due in March and September, 1961; for a sales program in connection with its Florida homes; and the balance of the proceeds will be added to the general funds of the company to provide additional working capital to finance its operations.

Wenwood Organizations, Inc., with its executive offices in Sarasota, Fla., and an office in Selden, Long Island, is engaged in buying, developing and selling improved and unimproved land, and in constructing residential homes and developing commercial properties both on Long Island and in Florida. The company's real estate and building operations have been located in Queens, Nassau and Suffolk Counties on Long Island, and in Sarasota County and in the City of West Palm Beach, Fla. On Long Island, the company is constructing a residential community of lower priced homes at Selden, and a community of luxury homes on two acre wooded sites in Brookville. In Florida, the company is building homes in Sarasota, where it also has commercial and industrial interests; and plans have been completed for the construction of homes in the West Palm Beach area.

The debentures will be redeemable at optional redemption prices ranging from 106½% in 1961 to par, and for the sinking fund at redemption prices receding from 103% in 1963 to par, plus accrued interest in each case.

With A. C. Allyn Co.

(Special to THE FINANCIAL CHRONICLE)

PORTLAND, Oregon — Lloyd A. Heldman has become associated with A. C. Allyn and Company Incorporated, 415 Congress Street. He was formerly with du Pont, Homsey and Company, and Coburn & Middlebrook, Inc.

MUTUAL FUNDS

BY ROBERT E. RICH

German Funds Are on the March

Although compelled to compete with such dazzling events as shoe-waving and desk-banging diplomacy, a tingling World Series climax and a televised locking of political horns, the National Association of Investment Companies, in celebrating its twentieth anniversary, nevertheless managed to attract considerable attention.

Its members, comprising 159 open-end and 26 closed-end investment companies, deserved as much. From total assets of less than $1 billion in 1940 these gentlemen have built a mighty business that now manages over $17 billion in assets and has 2,500,000 individual shareowners.

As G. Keith Funston, President of the New York Stock Exchange, said in his address to their convention in New York: "After a long period of skepticism, the average family no longer asks the hesitant question: 'Why should we own stocks?' Today the question is: 'Why shouldn't we?'" A sizable share of the credit for these years of stockholder growth and "pyschological growth," as Mr. Funston says, belongs to the men who held their convention last week.

Nor has mutual fund prosperity been confined to our own land. The Japanese too have caught the fund bug and, indeed, the funds in that country play a larger role in market movements than is the case with the U. S. variety.

And now the word from Germany is that her thrifty, hard-working people have latched onto the fund idea. It appears that out of the nucleus established as recently as 1956, Germany's mutual funds have grown swiftly both in number and size. Last year these funds doubled their assets for a year-end total of $500,000,000. That figure is small by comparison with the sum Americans have invested in funds, but it represents better than 4% of total German savings.

To be sure, much of the increase must be attributed to the rise in stock values, for Germany's markets have been in a long-time bull market that dwarfs the Eisenhower markets in this country. During 1959, a year in which the American markets began to hit the skids, German funds averaged an increase in value of 65%.

Small wonder then that State-side investment leaders have been giving increasing attention to foreign equities, especially the German.

Also worthy of their interest is the report by the *German American Trade News* that the yields from these German mutual funds range from 2.8% to 4.1%, compared with a 2.2% average recorded by shares traded on Germany's stock exchange.

There is still room for greater growth, according to our report. If measured against the United States, where the per capita average is close to $100 or the Swiss mean of $140, the German per capita investment in mutual funds comes to a mere $10. But this was attained in four short years. Since 1958, the number of funds in that land has risen from eight to 19, sponsored altogether by nine investment houses.

For another thing, the German funds have brought new blood into the selection available with the inclusion of foreign holdings in their portfolios. As the *German American Trade News* notes: "The resultant dispersion of German investment money has helped ease the pressure on the German market insofar as income realized from the sales of funds certificates was in part channeled abroad. They could therefore not be used to support the excessive upward movement of German stocks which, being limited in quantity, rose sharply under a strong bidding."

It has been noted that one of the shortcomings of Germany's stock markets is the dearth of shares available for trading. It is one of the reasons why prices have risen to levels beyond the reach of middle-income investors.

The Germans, with typical thoroughness, have undertaken a survey to determine the source of mutual fund money. They found that 40.3% of their investors were workers and employees. In second place, with 38.7%, were independent business and professional men, followed by housewives, with 19.2%. The remaining 1.8% were institutions.

Like the Americans, the Germans are bent on developing a broader market, using such methods as planned monthly savings.

Of course, there is no reason why the Germans and, indeed, all the countries of Free Europe shouldn't build the mutual fund idea. After all, the idea was born over there in the 19th Century.

Funds Report

Incorporated Investors new stock additions during the quarter ended Sept. 30 included: 25,000 shares of American Telephone & Telegraph, 39,100 Borden, 38,000 Campbell Soup, 31,400 C. I. T. Financial, 37,000 Coca-Cola, 36,000 General Foods, 20,000 Leesoma, 11,200 National Biscuit, 20,000 Procter & Gamble and 3,100 R. J. Reynolds Tobacco. Holdings deceased included: 57,200 shares of Firestone Tire & Rubber, 30,900 Goodyear Tire & Rubber, 7,000 Jones & Laughlin, 8,500 Metro-Goldwyn-Mayer, 21,000 Philips Incandescent Lamp Works, 2,000 Pittston Co. $3.50 convertible preferred, 13,400 Reynolds Metals and 17,500 Youngstown Sheet & Tube. Issues eliminated: 21,000 shares of Aetna Life Insurance, 121,400 Consolidation Coal, 92,000 Crown Zellerbach, 43,800 Ford Motor, 26,800 Grand Union 36,000 National Life & Accident Insurance, 3,500 Travelers Insurance and 60,000 West Kentucky Coal.

* * *

Institutional Shares, Ltd. made these common stock purchases in the latest quarter: 2,000 shares of Empire District Electric, 1,000 New York State Electric & Gas, 1,000 Potomac Electric & Power, 1,300 Toledo Edison, 1,000 Pillsbury, 1,000 Borg-Warner, 100 Federal Mogul Bower Bearing, 2,000 General Motors, 1,300 Raybestos Manhattan, 1,000 Continental Can, 1,000 Singer Manufacturing, 1,000 Aldens, 2,000 Allied Stores, 15,000 American Metal Climax, 1,000 Anaconda, 1,000 Standard Oil Co. (New Jersey), 1,000 Chesapeake & Ohio Railway, 1,600 Chicago, Rock Island & Pacific and 2,000 New York, Chicago & St. Louis. The fund sold 5,000 Montana Power all of its 10,000-share holding in Lone Star Gas.

* * *

Dominick Fund reports net assets at Sept. 30 were $35,778,926, equal to $20.93 on each of the 1,709,067 shares outstanding. This compares with $36,071,807, or $21.73 a share, on 1,659,640 shares a year earlier. Holdings of common stock represented 87.2% of assets at latest report, against 89% at Sept. 30, 1959. Major changes in portfolio during the three months ended Sept. 30, 1960, included sale of all of the holdings of General Motors (10,000 shares), Ford Motor ($4,000), Weyerhaeuser (4,500), Crown Cork & Seal (13,000) and International Paper (3,500). Important new acquisitions during the same period included: 7,500 Metro-Goldwyn-Mayer, 10,000 Great Western Financial, 3,500 International Telephone & Telegraph, 3,000 International Shoe, 2,500 Universal Match and 2,000 shares of Prentice-Hall.

* * *

Tri-Continental Corp. investment assets at Sept. 30 were $386,973,157, down from $414,303,032 at the start of the year. Assets per common share outstanding declined to $45.82 at Sept. 30. This compared with $49.58 three months earlier and $49.68 reported at the outset of 1960. Assets per common share, assuming exercise of all warrants, stood at $41.90 at the end of the quarter as compared with $45.13 at June 30 and $45.20 at Dec. 31, 1959. There were 7,166,589 shares of Tri-Continental common stock and 914,950 warrants outstanding at the quarter-end.

Net investment income for the first nine months totaled $8,667,461, compared with $8,038,716 in the corresponding period of 1959, according to the report.

At Sept. 30, Tri-Continental's "backlog" bond and preferred

stock holdings accounted for 14.5% of investment assets as compared with 12.7% at the start of 1960. Common stock holdings were equivalent to 85.5% vs. 87.3%, with equities of public utility companies making up 26% of total commons. Taking into account the senior, fixed-income securities held by Tri-Continental Financial Corp., a wholly-owned subsidiary, the value of the corporation's investments in bonds and preferred stocks exceeds the principal amount of its own debt and preferred stock, and the leverage influence of its senior caiptal structure is thus neutralized for the present.

Industries in which Tri-Continental had its largest common stock investments on Sept. 30 were public utilities, representing 22.2% of assets; electrical and electronics, 9.1%, and oil 7.9%.

New common stock positions were taken during the third quarter by purchase of 25,000 shares of American Cyanamid, 28,000 shares of Phillips Petroleum and 15,000 shares of Zenith Radio. Holdings were increased by 10,000 shares of Atlantic Coast Line, 27,000 shares of Continental Oil, 3,700 shares of Houston Lighting and Power, 2,000 shares of Northern Indiana Public Service, 25,000 shares of Peabody Coal, and 15,000 of R. J. Reynolds Tobacco.

Common stock holdings were reduced by the sale of 61,500 shares of Continental Baking, 12,700 shares of Kroger, 1,100 shares of Owens-Illinois Glass, 30,000 shares of Skelly Oil, and 26,400 shares of Westinghouse. An investment in 60,000 shares of Texas, Pacific Coal & Oil was eliminated.

* * *

Lazard Fund puts share assets at Sept. 30 at $14.71, against $15.52 a year earlier.

* * *

Petroleum Corp. of America reports as of Sept. 30 net assets of $30.448.912, or $14.83 on each of 2,053,143 shares. This compares with assets of $34,218,239 and $17.36 on each of 1,970,400 shares at the close of 1959.

S. S. Samet & Co. Offers Vogue

S. S. Samet & Co., Inc. is offering today (Oct. 20) 100,000 shares of Vogue Instrument Corp. common stock at $3 per share.

Net proceeds to the company will be used toward costs of moving to new quarters, additional equipment, research and development and for other corporate purposes. Upon completion of the present offering, the capitalization will consist entirely of 220,000 shares of common stock.

The company, incorporated in 1948, has been a contract manufacturer of a wide variety of precision products in the metal-working field and in the electronic component field, made in response to orders for specific items from the aircraft and electronic industries and the armed forces. Among other products, the company's research and development program has perfected an infinite resolution wire wound potentiometer. The potentiometer's stepless output is suited for use in high resolution servo systems and indicating systems where standard wirewound potentiometers cannot eliminate the "hunting problems" common to these systems.

In 1958, the company began a diversification program. It is now an approved supplier of instrument gears, gear train assemblies and electronic devices to leading companies in the defense program. About 60% of its sales are government (sub-contract), and approximately 40% commercial.

New Amott, Baker Branch

BRISTOL, Conn. — Amott, Baker & Co. Incorporated has opened a branch office at 25 North Main Street under the management of Milton M. Seligson, Michael J. Avallone and Santo J. Pierro.

Lewis La Master Joins Dittmar & Company

HOUSTON, Texas — Lewis M. La Master has become associated with Dittmar & Company, Inc., members of the New York Stock Exchange, as manager of their newly opened branch office in the Texas National Building. Mr. La Master was formerly President of La Master, Ford & Co.

With Eastman Dillon

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif. — Todd Helser has become associated with Eastman Dillon, Union Securities & Co., 3115 Wilshire Boulevard. He was formerly with Walston & Co., Inc.

First Albany Branch

BINGHAMTON, N. Y.—First Albany Corporation has opened a branch office in the Press Building under the management of Lawrence R. Heath. Mr. Heath was formerly local manager for Rockwell-Gould & Co.

Now With Keon

(Special to THE FINANCIAL CHRONICLE)

LOS ANGELES, Calif.—Eladio V. Mora has joined the staff of Keon and Company, 639 South Spring Street. He was formerly with Lloyd Arnold & Company.

L. F. Blumberg Opens

(Special to THE FINANCIAL CHRONICLE)

SHERMAN OAKS, Calif.—Lewis F. Blumberg is engaging in a securities business from offices at 3635 Longridge Avenue.

M. Chwasky Opens

Milton Chwasky is conducting a securities business from offices at 224 East 48th Street, New York City. He was formerly with Glickman Securities Corp.

BANK AND INSURANCE STOCKS

BY LEO I. BURRINGTON

This Week — Bank Stocks

NEW YORK CITY BANKS: NINE MONTHS RESULTS

On average the market performance of New York City banks outpaced the 1959 gain of the Dow-Jones industrial stock average and a favorable comparison continues for 1960. At the end of the first nine months, the American Banker Index of New York City bank stocks stood at 92.7, down 4% from Sept. 30, 1959, while the Dow-Jones industrial stock average for the same period was off 8.9%. Only the price decline of *Chemical Bank New York Trust Company*, down 9.6%, exceeded the dip in the industrial average. These bank stocks have reflected the reputation of bank stocks generally as investments with defensive characteristics since they have fluctuated by only 10% plus or minus from their year ago prices. The price appreciation potential appears promising once the market recognizes the earnings gains being registered for 1960. An indicated 12% to 18% rise in operating earnings for the full year still seems within realization and will match the 15% increase registered in 1959 over 1958.

As of Sept. 30, 1960, all 10 banks have reported gains in total resources, up 6.2% from a year ago. *The Hanover Bank* registered the most impressive gain, that of 17.5%, which was sufficient for the bank to move ahead of the *Irving Trust*. Total loans increased modestly or by 1.4% from a year ago. *U. S. Trust, Manufacturers Trust*, and *Bankers Trust* registered the highest gains in loans. Total deposits for the 10 banks increased 5.1% from a year ago with *U. S. Trust, The Hanover Bank, Bankers Trust* and *Morgan Guaranty* in the forefront.

Earnings gains continue strong as can be noted in the table presented which gives nine months comparisons. Five of the banks registered gains exceeding 20%. On a 12 months comparison to Sept. 30, 1960 net operating earning showed a gain of nearly 20% over the previous 12 months period, while the third quarter 1960 gain was about 11%. Since the present prime rate of 4½% compares with the 5% rate in force a year ago, the improved gain has progressively narrowed due to the excellent last-half 1959 earnings reported.

LEADING NEW YORK CITY BANK STOCKS

	Adj. Bid Pr. Range 1960-1959	Recent Mean Price	Yield %	Div.	9 Months' —Earnings— 1960	1959	Earn. Gain %
Chase Manhattan Bank	71 - 55	60	4.0	$2.40	$4.11	$3.42	20.2
First National City Bank	94 - 70	76	3.9	3.00	4.58	4.00	14.5
Chemical Bk. N. Y. Tr.	70 - 53	57	4.2	2.40	3.60	3.41	5.6
Morgan Guaranty Tr. Co.	118 - 94	98	4.1	4.00	5.30	4.18	26.8
Manufacturers Trust Co.	69 - 51	58	4.1	2.40	3.86	3.42	12.9
Bankers Trust Company	53 - 37	50	3.4	1.72	2.98	2.39	24.7
The Hanover Bank	55 - 44	49	4.1	2.00	3.07	2.52	21.8
Irving Trust Company	44 - 37	41	3.9	1.60	2.59	2.03	27.6
Bank of New York	335 -246	322	3.7	12.00	15.65	13.04	20.0
U. S. Trust Company	98 - 80	96	4.2	4.00	4.68	4.22	10.9

Chase Manhattan Bank reported resources of $8,530 million as of Sept. 30, a rise of 7.5% from the same 1959 date. Deposits and loans were up 5% and 3% respectively. Approval for a branch in Great Neck Plaza, Nassau County has been obtained from the New York State Bank Board. Based on the statistical record Chase Manhattan should be one of the first to declare a dividend increase.

First National City Bank's combined resources were $8,343 million, a gain of 3.9% from a year ago. Deposits advanced 5% while loans declined 5%. The U. S. Comptroller of the Currency already has approved establishment of two branches, one at Harrison, Westchester County, and one at Plainview, Nassau County.

Chemical Bank New York Trust Company's assets increased slightly to $4,192 million, while deposits declined 1% to $3,574 million. Loans outstanding were practically unchanged at $2,172 million. The New York State Bank Board has approved two branches, one in Massapequa in Nassau County and one at Eastchester in Westchester County. For its checking account customers, the bank has introduced a new kind of checking account with an automatic savings feature called the "Check 'n Save" Account.

Manufacturers Trust Company's total resources as of Sept. 30, 1960 were $3,535, up 6.6% from a year ago, while total deposits increased 4%. Total loans were up a healthy 9% from the first nine months of 1959 date. Recent branch expansion has brought the number of offices up to 119. Management has stated it intends to await the outcome of a test on the legality of the New York Omnibus Banking Law before expanding into suburban counties.

Bankers Trust Company's total resources as of Sept. 30, 1960 were $2,201 million, up 5.6% from a year ago. Total deposits and loans increased 7% and 6% respectively. Current interest is Bankers Trust's proposal to form a holding company to bring about an affiliation with County Trust Co. of Westchester County.

At current prices New York City banks stocks are down considerably from their high levels at the beginning of 1960, and are selling at modest prices relative to the higher earnings indicated. The five wholesale-retail banks above, in particular, can be considered attractive investments. Factors underlying the relative attractiveness include not only the suburban branch expansion potential and the wide markets served—from local to international, but proficient managements, and the lower reserve requirements which started to become effective on Sept. 1, 1960. For the near-term, attention can be centered on the probability of higher dividends, in cash or stock, and the record high operating earnings which are unfolding for 1960.

American Optical Debens. Offered

Public offering of $8,000,000 American Optical Co. 4.40% convertible subordinated debentures due 1980 was made on Oct. 19 by a group managed by Kuhn, Loeb & Co. The debentures are priced at par plus accrued interest.

The debentures are convertible into common shares of the company at $62 a share through Oct. 1, 1970 and $68 per share thereafter.

Annual sinking fund payments commence on Oct. 1, 1965 and are designed to retire approximately 62% of the debentures prior to maturity. The company at its election may increase the sinking fund payment in any year by an amount not exceeding the required sinking fund payment for the year. The debentures will be redeemable for the sinking fund at par plus accrued interest, and optionally redeemable beginning Oct. 1, 1961, at prices ranging from 104½% to par plus accrued interest.

American Optical, which dates back to a business founded in 1833, is one of the world's largest manufacturers of ophthalmic lenses, frames and mountings and of instruments used by the ophthalmic professions in rendering eye care to the public, and manufactures a wide variety of scientific instruments as well as industrial safety products, sunglasses and certain other products. Main plants and executive offices are in Southbridge, Mass. Other manufacturing facilities are located in Buffalo, N. Y.; Chelsea, Mass.; Brattleboro, Vt.; Frederick, Md.; Keene, N. H.; Putnam, Conn.; Pittsburgh, Pa.; Belleville, Ontario, Canada and Nicolet, Quebec, Canada.

Net proceeds from the sale of the debentures will in the first instance be added to general funds of American Optical and then used for various projects expected to require substantial sums over the next one to three years. These projects include expansion and improvement of facilities for the company's Instrument Division, principally the Fecker operation, and new machinery and equipment to improve manufacturing processes of instrument and ophthalmic products.

Consolidated sales during the six months ended July 1, 1960 totaled $48,573,000 and net income was $1,662,000, equal to $2.08 per common share, compared with $45,358,000 and $1,565,000, or $1.93 per share, in the corresponding six months of last year. For the year ended Jan. 1, 1960 consolidated sales were $88,955,000 and net income amounted to $2,834,000, equal to $$3.52 a share.

Form Capital Trading

Capital Trading Corporation has been formed with offices at 2 East 23rd Street, New York City to engage in a securities business. Officers are Robert Dembar, President and Treasurer, and Nathan Spergel, Vice-President and Secretary. Mr. Dembar was formerly with Herbert E. Stern & Co. and H. Hentz & Co.

AS WE SEE IT *Continued from page 1*

would naturally go to it, or, by extraordinary restraints, force from a particular species of industry some share of the capital which would otherwise be employed in it, is in reality subversive of the great purpose which it means to promote. It retards, instead of accelerating, the progress of the society towards real wealth and greatness; and diminishes instead of increasing, the real value of the annual produce of its land and labour (GNP in modern terminology).

"All systems either of preference or of restraint, therefore, being thus completely taken away, the obvious and simple system of natural liberty establishes itself of its own accord. Every man, as long as he does not violate the laws of justice, is left perfectly free to pursue his own interest his own way, and to bring both his industry and capital into competition with those of any other man, or order of men. The sovereign (for which read government) is completely discharged from a duty, in the attempting to perform which he must always be exposed to innumerable delusions, and for the proper performance of which no human wisdom or knowledge could ever be sufficient; the duty of superintending the industry of private people, and of directing it towards the employments most suitable to the interest of the society. According to the system of natural liberty, the sovereign has only three duties to attend to; three duties of great importance, indeed, but plain and intelligible to common understandings: first, the duty of protecting the society from the violence and invasion of other independent societies; secondly, the duty of protecting, as far as possible every member of the society from the injustice or oppression of every other member of it; or the duty of establishing an exact adminstration of justice; and thirdly, the duty of erecting and maintaining certain public works, and certain public institutions which can never be for the interest of any individual, or small number of individuals to erect and maintain; because the profit could never repay the expense to any individual or small number of individuals, though it may frequently do much more than repay it to a great society."

The reader with a knowledge of the history of economic thought will, of course, readily recognize these sentences as having been extracted from the "Wealth of Nations" which embodied and embellished the trend of economic and political thought at the time that we undertook to manage our own affairs and for many decades thereafter. Hardly a trace of its doctrines and its spirit is, unfortunately, to be found in present day political preachings—although at intervals lip service may be paid to some of it. It is, of course, obvious that great changes have taken place in the world since Adam Smith wrote those immortal sentences. Some of them have been the outgrowth of natural forces and quite unrelated to political platforms or philosophies or restraints. Some of them, obviously, require consideration when practical programs are undertaken to put into actual practice the basic concepts of the *laissez-faire* system. The so-called "natural monopolies" pose problems, as do a number of other developments in the economic sphere. An economic and social system built upon the principles of "natural liberty" would rather obviously have to be somewhat different from what it would have been in 1776, but, of course, that is no reason whatever why we should have so completely discarded the system after it had so well served our interests for decades, even centuries.

No Newly Acquired Fault

It is, of course, usual to place responsibility upon the New Deal for much if not most of our deviations from tradition in this respect. Certainly a great many of the worst modern economic sins are to be charged to Franklin Roosevelt and his followers. Unnatural monopolies, such as that now existing in the field of labor, and a great many interferences with normal business operations which are designed to draw funds away from or to attract funds to this, that, and other species of industry all owe their present day vitality, if not their origin, to the New Deal. And the worst of it is that a new generation or two have arrived upon the scene which have really never known anything else, and which, accordingly, take this type of program in large doses as the normal and desirable rule. To many of them the words of Adam Smith sound strange and unrealistic—so far as they ever hear them.

But the fact is that we had been wandering farther and farther away from *laissez-faire* long before the New Deal had ever been heard of. High tariffs were, by and large, anathema to Adam Smith, and as every one knows were the darling of many of us for many years even before Al Smith took the Democratic party to the side of protectionism. Agriculture has long been a favorite with the political powers that be. Other cases could easily be cited. But merely to say that we have been sinning longer than some of us had realized does not suggest that we can afford to continue to go on sinning. Somewhere, sometime we shall have to make a start back to sound economic policies.

Natural Gas Pipeline Secs. Are Offered

Dillon, Read & Co. Inc. and Halsey, Stuart & Co. Inc. head a group of underwriters which offered publicly on Oct. 19 $25,000,000 Natural Gas Pipeline Co. of America first mortgage pipeline bonds 5% series due Oct. 1, 1980, priced at 100%.

Simultaneously, an underwriting group headed by Dillon, Read & Co. Inc. is offering 150,000 shares of cumulative preferred stock, 5½% series (par value $100 per share) of the company at $100 per share.

Net proceeds from the sale of the new bonds and the new preferred stock and treasury funds will be applied to the reduction by $40,000,000 of short-term bank loans now outstanding in the aggregate amount of $66,000,000. These bank loans represent indebtedness originally incurred principally for the purpose of retiring the preferred stock of Texas Illinois Natural Gas Pipeline Co. (at a cost of $9,794,200) and of temporarily financing a portion of the cost of additions made to property, plant and equipment.

For a period of five years, the first mortgage pipeline bonds are not redeemable from or in anticipation of moneys borrowed at an interest cost of less than 5% per annum, but they are otherwise redeemable at the option of the company at any time at prices scaling downward from 105% to 100%. The bonds are entitled to an annual sinking fund beginning Oct. 1, 1962, sufficient to retire approximately 93% of the bonds prior to maturity. The sinking fund redemption price is 100% plus accrued interest.

A sinking fund is provided for the cumulative preferred stock sufficient to retire 6,000 shares annually commencing with the 12 months period ending Sept. 30, 1966. The sinking fund redemption price is $100 per share plus accrued and unpaid dividends. The preferred stock is otherwise redeemable at the option of the company at $108.25 per share if redeemed prior to Oct. 1, 1965 and at $105.50 per share if redeemed from Oct. 1, 1965 to Sept. 30, 1966 and at prices declining by 50 cents per year thereafter to Oct. 1, 1976; and at $100 per share if redeemed thereafter.

Natural Gas Pipeline Co. of America is one of the pioneer long-distance natural gas pipeline operators in the country. It owns two pipeline systems which supply approximately three-fourths of the natural gas delivered in the Chicago Metropolitan area. One of the company's pipeline systems extends from mid-continent natural gas producing areas to terminals near the Chicago Metropolitan area. The other pipeline system was acquired by the company on Oct. 11, 1960 from its affiliate Peoples Gulf Coast (successor to Texas Illinois) and extends from natural gas producing areas in the Texas gulf coast region to terminals also located near the Chicago Metropolitan area.

The company is engaged in a construction program consisting of two projects designed to increase daily delivery capacity of its pipeline facilities by approximately 194,000 Mcf. Natural Gas Storage Co. of Illinois is in the process of completing the construction of facilities designed to increase its peak day withdrawal capacity by 78,000 Mcf. All of these new facilities are scheduled for use by the beginning of the 1960-61 heating season.

Sealed Air Corp. Stock Offered

Pursuant to an Oct. 13 offering circular, Bertner Bros. and Earl Edden Co., both of 63 Wall Street, New York 5, N. Y., publicly offered 100,000 shares of the 1¢ par common stock of the Sealed Air Corp. at $1 per share.

The company's office is located at the Fielding Machine Co., 330 Wagaraw Road, Hawthorne, N. J. The latter has allotted to the company approximately 1,000 feet of floor space where the first full size commercial sealed air machine is in course of being assembled. However, with the consummation of an association with any leading manufacturing company, these facilities may be moved as conditions require. The cost of assembling the sealed air machine will be billed to Sealed Air Corp. but no charge for rent has been made up to the present time. While it is not expected that the company will continue to occupy space at the Fielding Machine Co., should it do so for any unusual period after the offering, a reasonable rental commensurate with similar commercial properties in the locality of Hawthorne, N. J. will be paid.

Not having commenced production, the company has no customers at the present time. However, it has received approximately 200 inquiries as to the sealed air methods from U. S. Government agencies as well as private industry including the electronics, aircraft, missiles, instrumentation fields.

While the company does not propose to conduct extensive research and development in its own right during the early stages of its operations, it does expect to explore into all possibilities of applications of the company's patent and license rights.

The company owns patents under assignment from Marc A. Chavannes, as well as applications for patents, one of them with Alfred W. Fielding as co-inventor. All applications have been assigned by the inventors to the company.

The company has also acquired and exclusive license on CIS Patents, as an added protection, in the fields covered by the company's own patents and applications, the multi-cellular padding, insulating, and cushioning products, processes and principle embodied therein.

Meyerheim Branch

EDISON, N. J.—Gerald A. Meyerheim has opened a branch office at 989 Amboy Avenue under the management of William Pardue, Jr.

The Business Setting in The Fourth Quarter of 1960

By Martin R. Gainsbrugh,* *Chief Economist, National Industrial Conference Board, New York City*

Business research economist comments favorably on the over-all economy's ability to stay virtually unchanged in high gear despite the inventory turn-about. The continued strength in consumer buying is said to show promise that inventory buying may shortly be resumed. To offset the economic drag inventory liquidation and private capital investment decline may have on the economy, Mr. Gainsbrugh advocates a lowering of corporate taxes and other incentives to spur investments.

Total economic activity in the third quarter of 1960 has continued at or close to peak rates in the United States, despite the drastic curtailment of inventory buying. Whether measured in terms of total value of output (Gross National Product) or volume of industrial production or by the number of people employed, the aggregate performance of the economy compares favorably with that in earlier quarters of the year.

M. R. Gainsbrugh

Turning first to Gross National Product, this remained virtually unchanged in the face of one of the most pronounced turn-abouts in inventory policy of any year on record. In fact, the aggregate demand for goods by consumers, government, and for business investment, excluding inventories, appears to have risen modestly again during the quarter. In statistical form, the results for each quarter of 1960 shape up:

	(Annual Rates Seasonally Adjusted; in Billions of Dollars) 1st Quar. 1960	2d Quar. 1960	3d Quar. 1960
Gross National Product	501.3	505.0	503.
Inventory Accumulation	11.4	5.3	0.
End Product Demand for Goods and Services	489.0	499.7	503.

Secondly, much the same picture emerges for industrial production. The figures for July, August and September are 110, 109 and 109, respectively, with 1957=100, as compared with 111, 110 and 109, the peak volume performance of the first quarter. In that quarter, the increased output of primary metals to replenish inventories gave an added lift to the index. Allowing for that temporary stimulus, aggregate industrial output currently continues to compare favorably with the high of the Fifties (110) as well as any earlier quarter of this year.

Thirdly, employment, particularly of nonagricultural wage and salary workers, held at a record-breaking total of about 52.5 million in the third quarter. Seasonally adjusted, the U. S. Department of Labor placed the number of employees on payrolls: June — 53,388,000; July — 53,420,000; August — 53,334,000. The lag in August was ascribed to the model changeover in Detroit and that restraint may have been removed in the September figures.

Why the Complaints About the Economy?

So much for the latest official evidence of what went right with 1960 thus far. What went wrong? Why such general dissatisfaction with a year that, in the aggregate, has held up well?

The answer is that good as was aggregate performance in 1960, it failed to come up to expectations. Too many companies had budgeted gains of 5%-10% over 1959. They have now cut back on their inventory buying and their investment appropriations for 1961 because the more modest actual increases of 1960 fell below these excessive expectations. Add to this the dislocations arising from the steel strike and its aftermath, further compounded by the changing character of our defense program. Cap this with the dramatic swing from a huge Federal deficit to a balanced budget, the tapering off of inflationary pressures, and the accompanying loss of momentum, and the dissatisfaction with 1960 of late is largely accounted for.

These excessive expectations for 1960 gave too little consideration to a series of changes which have slowly but steadily been restoring the intensively competitive markets which have traditionally characterized the American business system.

Changes Restoring Intensive Competition

The highly stimulative influences of World War II and the Korean War to economic growth began to wear off about five years ago. In the subsequent "middle years," the United States economy has become increasingly characterized by buyers' markets; narrower profit margins, and volatile and, at times, captious consumption. Such markets have always been a challenge or a goad to business managers. Periods of hesitation or business uncertainty frequently develop in such markets as in 1956-1957, but these are not necessarily signs of recession. Instead, they mark the continuing adjustment from an economy deriving its growth from external to internal forces. The withdrawal of the artificial stimuli of wars, of deficits, and of inflation have in the past produced secondary major postwar business corrections after the first postwar decade of prosperity. Thus far, this type of major postwar let-down has been avoided by a continuing series of adjustments in such major industries as steel or motor vehicles, without bogging down the rest of the economy. Strength of end-product demand has kept these dislocations confined largely to the affected industries.

The Outlook's Pros and Cons

What of the months ahead? Our monetary authorities, cognizant of this altered environment, have for months been exercising a constructive influence upon business activity well in advance of any threat of recession. Their anticipatory action in easing credit promptly should prove increasingly stimulative to public construction and to long-term financing in general. Rising defense commitments should also help prolong the current plateau; so, too, should the strength of exports and the favorable response of consumers to compact cars. In addition, the intensification of sales effort, coupled with better values, is being used increasingly throughout the country to stimulate demand.

Despite such efforts, the drag of inventory liquidation and some softening in private capital investment could retard the rate of economic growth in the months immediately ahead. Greater incentives for investment may well be required than when sellers' markets prevailed. Lower corporate taxes or other tax reforms could be employed to offset a decline in private investment that threatens to spiral downward.

Summary

In summary, the economy of the United States is still operating in high gear as it moves into the final quarter of the year, despite some loss of momentum arising from the cessation of inventory buying. The continued strength of end-product demand gives promise that inventory demand may shortly be resumed and that some of the current dislocations may be left behind by the year-end or shortly thereafter. There is no warrant, however, for management complacency. Adjustment to intensive competition demands far greater managerial skills than those required in any of the lush postwar years that have faded into history. In responding to this challenge, business managers will have moved us further down the road to transition to "normal markets" without the penalty of a secondary major postwar contraction.

*From an address by Mr. Gainsbrugh before the 406th National Industrial Conference Board's meeting, Toronto, Canada, Oct. 13, 1960.

Over-The-Counter Supermarket for Largest Choice of Securities

Continued from page 1

the stocks of fire and casualty companies themselves are also traded in the Over-the-Counter Market.

Then, of course, there are some 30,000 separate issues of widely assorted common stocks traded, or quoted, with some frequency over-the-counter. These include splendid blue chips such as American Express Co., Macmillan Company, Investors Diversified Services, First Boston Corporation, Time, Inc., Tucson Gas & Electric, Weyerhaeuser Co., and Wisconsin Power and Light.

Launching Pad for Young Companies

And, of course, the Over-the-Counter Market includes not only some of the most elegant equities anywhere but is the native trading habitat of most of the early stage, highly promotional securities. A new fiber glass boat company, a hopeful electronic, a land speculation company, an eager plastic enterprise or a tired drilled-out oil company — all these varied securities with their high hopes or dismal conjectures, change hands over-the-counter. In the last two years unlisted electronic and instrumentation companies have attracted a broad following and some of them have scored spectacular gains. These include such as FXR Electronics, Accoustica Corp., Branson Instruments, General Devices, Electronic Associates, Perkin-Elmer Corp., Itek, Farrington Corp. and Sanborn Instruments.

Another facet of the Over-the-Counter Market not sufficiently appreciated is its importance in warrants. Warrants are an extremely popular and volatile speculative medium and some fabulous capital gains have been made in these unique "calls" on stocks. While the related common stocks are frequently listed on major exchanges, the great majority of warrants trade over-the-counter. Such popular long-term warrants as Kerr-McGee, General Tire and Rubber, Sheraton Corporation, etc., are animated performers here.

Going Public

The Over-the-Counter Market further serves an important function when corporations "go public." In recent years we have seen many companies, formerly privately or family owned, offer their shares to the public. The largest issue of course, was the Ford Motor Company common stock offering a few years back at 64½. On the day the issue was offered, the Over-the-Counter Market was called upon to trade over 500,000 shares. Other distinguished companies to make original public offerings in the past two or three years were Champion Spark Plug, Campbell Soup, Upjohn Corp. and Carter Products Inc.

All of these issues when first offered, started trading in the Over-the-Counter Market. It was there that the market level was established and the issue became seasoned even though later on, it went on some exchange. Some of these new issues have proved exceedingly profitable. Revlon, Inc. came out at $12, gained several hundred percent and has since been split 2-for-1. On Oct. 23, 1958, Chock Full O'Nuts Corp. first sold shares to the public (400,000) at $15. Recently, the stock sold at 80 and was split 4-for-1. Hudson Vitamins brought out its common at $15 and the stock sold past $25 on the offering day. So you see that while many issues may move along to listed status later on, the Over-the-Counter Market is the launching pad for all new equities.

This business of going public is, of course, becoming increasingly important. There are many valid reasons why a closely held corporation may decide to offer its shares. These reasons include (1) the need to raise more capital; (2) the desire to establish corporate value for tax or other purposes by having a public issue with an active trading market; (3) enabling early holders to cash in on fat capital gains; (4) creation of an active stock issue, useful in exchange for other property or in a merger. Whatever the reasons, "going public" is important and profitable to corporations and investors alike; and each year first offerings bring to the Over-the-Counter Market hundreds of new issues which add new glamor and diversity.

With all these thousands of issues to choose from, and hundreds of newcomers to examine each year, investors of all sorts and sizes will be missing plenty if they ignore the world's largest market, the over-the-counter one. Here are found not only the risky, the romantic and the obscure, but hundreds of exceedingly solid durable equities which have honored the American free enterprise system, and brought status and stature to the common stock as a worthy investment medium, by paying consecutive dividends for from 5 to 176 years. A list of such distinguished companies follows:

Difference Between Listed and Over-the-Counter Trading

Following the tables appearing hereunder, we present a discourse on the difference between the listed and Over-the-Counter Market, for the benefit of those who are not conversant with how the Over-the-Counter Market functions.

TABLE I

OVER-THE-COUNTER

Consecutive Cash

DIVIDEND PAYERS

for

10 to 176 Years

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Abbotts Dairies, Inc. Dairy products	33	†0.71	28½	2.5
Abercrombie & Fitch Co. Retail sporting goods	23	1.00	35	2.9
Abrasive & Metal Products Abrasives	21	0.35	5⅝	6.2
Acme Electric Corp. Mfg. of electronic and electrical equipment and transformers for electronic and electrical industries	21	0.30	31	1.0
Acushnet Process Co. Molded rubber products and Golf balls	*23	1.00	25	4.0
Aetna Casualty & Surety Co. (Hartford) Casualty, surety, fire and marine insurance	52	†1.02	78	1.3

* Details not complete as to possible longer record.
† Adjusted for stock dividends, splits, etc.

Over-The-Counter Supermarket For Largest Choice of Securities

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Aetna Insurance (Hartford) Fire, marine, casualty and surety business	88	2.60	78	3.3
Aetna Life Insurance Co. (Hartford) Life, group, accident, health	26	1.22½	80	1.6
Agricultural Insurance Co. Diversified insurance	96	1.60	31¾	5.0
Akron Canton & Youngstown Railroad Co. Ohio carrier	14	1.90	20	9.5
Alamo National Bank (San Antonio)	24	†1.89	77	2.5
Alba Hosiery Mills, Inc. Silk and nylon hosiery	20	0.40	6	6.7
Albany & Vermont RR. Co. Local carrier	33	2.25	47	4.8
Alexander Hamilton Institute Inc. Publishing executive training courses	14	†1.00	21	4.7
Allentown Portland Cement Co., Class A Portland cement	14	1.50	27½	5.5
Allied Finance Co. Installment financing	19	†1.00	35	2.9
Allied Gas Co. Natural gas distributor	12	1.20	24½	4.9
Allis (Louis) Co. Generators and electric motors	*23	1.50	21½	7.0
Alpha Beta Food Markets, Inc. California super markets	14	0.90	23	3.9
American Aggregates Corp. Gravel and sand	19	1.15	26¼	4.4
American Air Filter Co. Filters and miscellaneous heating and ventilating equipment	26	1.10	22	5.0
American Cement Corp. Manufactures cement and cement paint	*20	1.00	17¼	5.8
American District Telegraph Co. Electric protection services	57	2.00	83	2.4
American Dredging Co. Dredging operations	78	4.25	93	4.6
American Druggists Insurance Co. (Cinc.) Writes Fire Insurance and extended coverage, plus casualty for druggists only	54	3.00	73	4.1
Amer. Equitable Assurance Co. of New York Fire, marine, multiple peril insurance, and allied lines	26	1.90	37½	5.1
American Express Co. Money orders; travelers' cheques; foreign shipping; foreign remittances; credit cards	90	†1.10	51½	2.1
American Felt. Co. Manufacturer of wool and synthetic fibre felts, fabricated felt parts, filters, acoustic wall covering materials, and decorative drapery fabrics	21	1.00	14¾	6.8
American Fletcher National Bank & Trust Co. (Indianapolis)	48	1.94	45¼	4.3
American Forest Products Corp. Manufacturers and distributors of forest products and corrugated containers	33	†0.99	33¾	2.9
American Furniture Co., Inc. Large furniture manufacturer	20	0.20	3⅝	5.5
American General Insur. Co. Fire and casualty insurance	31	†0.54	35½	1.5
American Greetings Corp., Class B Manufacture of greeting cards	10	b1.20	47	2.6
American Hair & Felt Miscellaneous hair & felt products	18	1.40	17½	8.0
American Hoist & Derrick Hoists, cranes, cargo equipment	20	1.05	15	7.0
American Insulator Corp. Custom moulders of plastic materials	19	†0.78	17	4.6
American Insur. (Newark) Diversified insurance	87	1.30	27¼	4.8
American Locker, Class B Maintains lockers in public terminals	17	0.30	3⅞	7.7
American Maize Products Manufactures various corn products	35	†1.95	56	3.5
American-Marietta Co. Paints, chemicals, resins, metal powders, inks and dyes, household products, cement and building materials	20	1.19	32½	3.1
American Motorists Insurance Company Diversified insurance	30	0.24	15	1.6
Amer. Natl. Bank & Trust Co. (Chattanooga)	44	2.00	85	2.4
American National Bank and Trust Co. of Chicago	25	†5.70	520	1.1
American Pipe & Construc'n Reinforced concrete pipe-protective coatings, plate steel fabrication, construction	23	†0.93	41½	2.2
American Re-Insurance Diversified insurance	38	†1.24	44	2.8
American Stamping Co. Pressed steel parts and stamping	23	1.25	15¼	8.2
American Steamship Co. Freighters on Great Lakes	52	20.00	440	4.5
American Thermos Products Co. Vacuum ware manufacturer	26	1.55	30	5.2
American Trust Co. (San Fran.) Merged in March 1960 with Wells Fargo Bank to form Wells Fargo Bank-American Trust Co. Stock was exchanged share-for-share				
American Vitrified Products Sewer pipe, bricks, tile	13	†1.18	30½	3.9
Amicable Life Insurance Co. Life insurance	24	1.50	57½	2.6
Ampco Metal, Inc. Bronze alloys and products	24	0.475	7⅛	6.7
Anheuser Busch Inc. Beer, yeast, corn products	27	1.35	32	4.2
Animal Trap Co. of America Large variety of traps	23	0.80	14	5.7
Ansul Chemical Co. Chemical and mechanical mfg.	35	1.00	25	4.0
Apco Mossberg Co. Tools and wrenches	17	0.10	5½	1.8
Apex Smelting Co. Aluminum smelting	28	2.00	40	5.0
Arden Farms Co. Dairy products, groceries, meats, etc.	16	1.00	16⅝	6.0
Arizona Public Service Electric and gas utility	40	1.20	45¼	2.7
Arkansas-Missouri Power Co. Electric and gas utility	*23	1.00	19¾	5.1
Arkansas Western Gas Co. Natural gas public utility, production and transmission	21	†0.89	23½	3.8

* Details not complete as to possible longer record.
† Adjusted for stock dividends, splits, etc.
b Plus 4% in class A stock.

Continued on page 28

Over-The-CounterSupermarket For Largest Choice of Securities

Continued from page 27

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Arrow-Hart & Hegeman Electric Co. Electric wiring devices and controls	32	3.52	56	6.2
Arrow Liqueurs Corp. Cordials and liqueurs	*15	0.40	10¾	3.7
Art Metal, Inc. **Formerly Art Metal Construction Co., Inc. Name changed in December 1959**	24	0.50	15⅝	3.2
Associated Spring Corp. Precision mechanical springs; spring steel	26	1.40	20½	6.8
Atlanta Gas Light Operating public utility	*23	1.80	39½	4.6
Atlanta & West Point RR. Co. Georgia carrier	20	4.00	41	9.8
Atlantic City Sewerage Co. Sewerage service	37	1.00	16½	6.1
Atlantic Company Ice, coal, cold storage and E-Z Curb Service Stores	15	0.75	16½	4.5
Atlantic National Bank of Jacksonville	56	†1.09	49	2.2
Auto Finance Co. Investments, automobile financing and insurance	23	d0.60	25½	2.4
Auto-Soler Co. Manufactures nailing machinery	10	†0.27	6¼	4.3
Automobile Banking Corp. Auto financing & personal loans	39	0.70	11	6.4
Avondale Mills Cotton fabrics and yarns	56	1.20	22	5.5
Avon Products Cosmetics and toiletries	41	†0.78	71¼	1.1
Ayres (L. S.) & Co. Operates department stores in Indianapolis and Lafayette, Indiana, and Springfield, Illinois	25	†1.25	25⅜	4.9
B/G Foods, Inc. Restaurant chain	16	1.05	15½	6.8
Badger Paper Mills Sulphite pulp and paper	26	4.00	115	3.5
Bagley Building Corp. Detroit real estate	23	0.30	14½	2.1
Baltimore National Bank	a55	c2.40	50½	4.8
BancOhio Corp. Holding company—banks	30	†1.64	76½	2.1
Bangor Hydro-Electric Co. Operating public utility	36	2.00	43¼	4.6
Bank of Amer. NT&SA Nation's largest bank	27	1.90	43¾	4.3
Bank Building & Equipment Corp. of America Designers, Builders, Manufacturers	21	1.35	26	5.2
Bank of California, N. A.	80	1.50	41	3.7

* Details not complete as to possible longer record.
† Adjusted for stock dividends, splits, etc.
a Including predecessors.
c Annual dividend rate indicated.
d Plus 4 shares of Jefferson Standard Life Insurance common, for each 200 shares held.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Bank of the Commonwealth (Detroit, Mich.)	23	5.00	156	3.2
Bank of Delaware	164	1.95	46½	4.2
Bank (The) of New York	176	12.00	307	3.9
Bank of the Southwest National Association, Houston	52	1.80	55	3.3
Bankers Bond & Mortgage Guaranty Co. of America Mortgage financing	14	0.30	8½	3.5
Bankers Building Corp. Chicago office building	14	3.00	62	4.8
Bankers Commercial Corp. Automobile and industrial financing	22	2.50	43	5.8
Bankers & Shippers Insur. Multiple line insurance	35	2.40	56	4.3
Bankers Trust Co., N. Y.	56	†1.61	45⅛	3.6
Barnett National Bank of Jacksonville	a71	1.88	77¼	2.4
Bassett Furniture Industries Inc. Complete line of domestic furniture	26	1.25	21½	5.8
Bates Manufacturing Co. Cotton and rayon fabrics	14	0.60	12¾	4.7
Baush Machine Tool Co. Drills and boring mills	18	c1.00	15½	6.5
Baxter Laboratories, Inc. Manufacturers of pharmaceuticals	27	†0.44	52	0.8
Baystate Corp. Bank holding corporation	33	1.30	30¼	4.3
Beauty Counselors, Inc. Wholesaler: Cosmetic and toilet preparations	26	0.95	53	1.8
Belknap Hardware & Mfg. Hardware & furniture wholesaler	32	0.85	13¼	6.4
Belmont Iron Works Designer, fabricator and erector, structural steel	24	2.00	33½	6.0
Belt RR. & Stock Yards Co. Operates livestock terminal mkt.	70	2.00	30	6.7
Bemis Bro. Bag Co. Manufacturer of paper, textile and plastic bags	39	2.00	47¾	4.2
Beneficial Corp. Holding company affiliate of Beneficial Finance Company	32	0.70	17⅛	4.1
Benjamin Franklin Hotel Co. Philadelphia hotel	13	5.00	175	2.9
Berks County Trust Co. (Reading, Pa.)	24	1.53	27	5.7
Berkshire Gas Co. Operating gas public utility	38	1.00	18½	5.4
Bessemer Limestone & Cement Co. "Portland" cement	18	†1.80	33	5.5
Bibb Mfg. Co. Textile manufacturer, Cotton goods; sheeting, etc.	73	†0.82	15¾	5.2
Biddeford & Saco Water Co. Operating public utility	61	†4.55	85	5.4
Bird Machine Co. Machinery for paper mills	24	1.25	27	4.6

* Details not complete as to possible longer record.
† Adjusted for stock dividends, splits, etc.
a Including predecessors.
c Annual dividend rate indicated.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Bird & Son Asphalt shingles, floor covering, and paper	35	0.85	24¾	3.4
Birmingham Trust National Bank (Birmingham, Ala.)	15	0.80	48	1.7
Black-Clawson Company Makes paper and pulp mill equipment	28	1.00	18¾	5.3
Black Hills Power & Light Operating public utility	19	1.46	30⅝	4.8
Black, Sivalls & Bryson Oil and gas equipment, steel products and control valves	a31	0.90	12½	7.2
Bloch Brothers Tobacco Co. "Mail pouch" chewing tobacco	49	1.45	24	6.0
Blue Bell, Inc. Manufacturer of work and play clothes	36	0.80	17¾	4.5
Boatmen's Natl. Bk. St. Louis	88	3.00	64	4.7
Bornot, Inc. Chain of dry cleaning establishments	32	0.20	9	2.2
Boston Insurance Co. Insurance other than life	86	1.80	34	5.3
Bound Brook Water Co. Operating public utility	35	0.40	6	6.7
Bourbon Stock Yards Co. Louisville stockyards	52	4.00	60	6.7
Boyertown Burial Casket Co. Miscellaneous funeral supplies	66	1.00	17	5.9
Bridgeport Hydraulic Co. Supplies water to several Connecticut communities	69	1.75	37¼	4.7
Brinks, Incorporated Armored car service	68	c1.60	42	3.8
Bristol Brass Metal fabricator	28	0.85	10¼	8.3
British-America Assurance Company Insurance other than life	26	4.10	107½	3.8
British Mortgage & Trust Co. (Ont.) Mortgage loans & trust business	82	11.00	254	4.3
Brockton Taunton Gas Co. Operating public utility	39	1.00	19¼	5.2
Brockway Glass Co. Inc. Glass containers	33	1.05	38½	2.7
Brooklyn Garden Apartments, Inc. Own and operate two Brooklyn garden apartments	26	6.00	100	6.0
Brown-Durrell Co. "Gordon" hosiery and underwear	18	0.25	9	2.8
Brown & Sharpe Mfg. Machine tools	*24	1.20	25½	4.7
Brunswig Drug Co. Wholesale drugs	26	†0.82	19½	4.2
Bryn Mawr Trust Co. (Pa.)	16	1.90	45	4.2
Buchanan Steel Products Corp. Manufacturing steel forgings	13	0.20	6	3.3
Buck Creek Oil Co. Crude oil producer	19	0.13	1⅜	9.5
Buck Hills Falls Co. Hotel in Poconos	53	0.60	17½	3.4
Buckeye Steel Castings Co. Production of steel castings	23	1.50	24¾	6.1
Burgermeister Brewing Corp. Brewing of beer	a20	1.10	20⅜	5.4
Burgess-Manning Co. Industrial acoustics, radiant ceiling, recording and controlling instruments	16	2.00	45	4.4
Burnham Corp. Mfrs. boilers, radiators, greenhouses and warm air furnaces	13	1.20	22	5.5
Business Men's Assurance Co. of America Life, accident and health insurance	27	0.30	42½	0.7
Butler Manufacturing Co. Metal products	22	2.40	44	5.5
Butler's Shoe Corp. Southern shoe chain	21	†0.56	12⅞	4.3
Calaveras Land & Timber Corp. California timber lands	17	2.00	28½	7.0
California Bank (L. A.)	21	2.00	50	4.0
California Oregon Power Operating public utility	18	1.60	36	4.4
California-Pacific Utilities Operating public utility	17	†0.88	21	4.2
California Portland Cement Cement and lime products	50	5.00	160	3.1
CALIFORNIA WATER SERVICE CO. public utility-water ● See Company's advertisement on page 38.	29	†1.20	23⅞	5.0
CALIFORNIA WATER & TELEPHONE CO. Operating public utility ● See Company's advertisement on page 40.	24	1.26	29¾	4.2
California-Western States Life Insurance Co. Life, accident & health insurance	22	†0.75	51	1.5
Camden Refrigerating & Terminals Co. Cold storage, warehouse business	14	0.25	20	1.3
Campbell Taggart Associated Bakeries, Inc. Bakery chain	*14	1.25	30	4.2
Cannon Shoe Co. Operation retail shoe stores and manufacturing of shoes	27	0.50	8	6.3
Capitol Records, Inc. Recording, manufacturing and wholesaling of records, albums and pre-recorded tape	10	2.00	39	5.1

* Details not complete as to possible longer record.
† Adjusted for stock dividends, splits, etc.
a Including predecessors.
c Annual dividend rate indicated.

Over-The-CounterSupermarket For Largest Choice of Securities

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Carnaco Equipment Co. — Leases refrigerating and truck equipment to Carnation Co., and subsidiaries	5	0.10	2	5.0
Carolina Telephone and Telegraph Company — Operates telephone exchanges	60	†1.60	38½	4.2
CARPENTER PAPER CO. — Distributor of paper and paper products • See Company's advertisement on page 46.	64	†1.75	42⅔	4.1
Carter (William) Co. — Underwear	46	9.00	375	2.4
Carthage Mills, Inc. — Felt base floor coverings	20	†1.15	21	5.5
Cascades Plywood Corp. — Plywood	13	1.75	31¼	5.6
Cavalier Apartments Corp. — Owning and operating apartment house (Washington, D. C.)	18	2.00	36	5.6
Cedar Point Field Trust, ctfs. — Texas oil wells	10	0.29	3⅜	7.5
Central Bank & Trust Co. (Denver)	*14	0.80	20¼	4.0
Central Coal & Coke Corp. — Leases mines on royalty basis	13	1.25	33	3.8
Central Cold Storage Co. — Refrigeration	26	1.00	35	2.9
CENTRAL ELECTRIC & GAS CO. — Electric & gas utility and through subsidiaries telephone service in several states • See Company's advertisement on page 40.	18	1.15	25⅝	4.5
Central Illinois Electric & Gas Co. — Operating public utility	28	1.44	38⅛	3.8
Central Indiana Gas Co. — Natural gas public utility	20	0.80	15¼	5.2
CENTRAL LOUISIANA ELECTRIC CO. — • See Company's advertisement on page 48. Electric, gas and water utility	25	1.80	56	3.2
Central Maine Power Co. — Public electric utility	18	1.40	25⅜	5.5
Central National Bank of Cleveland	19	1.95	43	4.5
Central National Bank & Trust Co. (Des Moines)	23	8.00	275	2.9
Central-Penn National Bank (Philadelphia)	132	2.20	43½	4.8
Central Steel & Wire Co. — Metal processing and distribution	18	3.00	75	4.0
Central Telephone Co. — Telephone service	15	†0.85	21⅞	3.9
Central Trust Co. (Cinn.)	23	†2.73	78	3.5
Central Vermont Public Service Corp. — Electric and gas utility	17	1.08	19⅝	5.5
Central Warehouse Corp. Class B — Operates warehouse in Albany	22	0.10	7	1.4
Central West Co. — Investment trust	25	0.30	5¾	5.2
Chain Store Real Estate Trust — Ownership and rental of improved real estate	23	5.50	70	7.9
Chambersburg Engineering — Forging hammers, hydraulic presses	23	0.50	19½	2.6
Chance (A. B.) Co. — Manufacturing products for Utility Line Construction & Maintenance	25	1.20	20¼	5.9
Charleston Natl. Bk (W. Va.)	24	2.00	53½	3.7
Charleston Transit Co. — W. Va. bus operations	20	4.00	45	8.9
Chase Manhattan Bank	112	2.40	58⅝	4.0

* Details not complete as to possible longer record.
† Adjusted for stock dividends, splits, etc.

Continued on page 30

IBA Convention Speakers Chosen

WASHINGTON, D. C. — The Forty-ninth Annual Convention of the Investment Bankers Association will be held Nov. 27-Dec. 2 at the Hollywood Beach Hotel (Conventon headquarters) and at The Diplomat, both in Hollywood, Florida.

In addition to the address by IBA President James J. Lee, Partner, W. E. Hutton & Co., New York, and the inaugural address by the incoming President, George A. Newton, Partner, G. H. Walker & Co., St. Louis, the delegates will also hear addresses by guest speakers:

Henry C. Alexander, Chairman of the Board, Morgan Guaranty Trust Company of New York.

Milton S. Eisenhower, President, Johns Hopkins University, Baltimore.

Charles H. Percy, President, Bell & Howell Company, Chicago.

Elwood R. Quesada, Administrator, Federal Aviation Agency, Washington.

Following custom, the first business session will be a Municipal Forum, Sunday afternoon, Nov. 27. Convention sessions will be held mornings during the week. The various IBA National Committees will hold meetings and most of them will submit annual reports to the delegates. Cash awards will be made to the winners of the 1960 Institute of Investment Banking essay competition.

New officers will be installed Thursday morning, Dec. 1, and the incoming Board of Governors will meet that afternoon.

Bache Heads Group In USO Fund Drive

Harold L. Bache, Senior Partner in Bache and Company, is joining the ranks of prominent New York business leaders actively participating in the New York City USO Committee's drive for funds to meet the U. S. Defense Department's request for expanded USO services to Cold War GIs.

Mr. Bache, a captain in the U. S. Army's 77th Division overseas during World War I and later Regimental Executive Officer with the rank of Lt. Colonel in the 17th Regiment, New York State Guard, will serve as Chairman of the New York Stock Exchange Division for the New York City USO campaign.

With H. W. Brewer

(Special to THE FINANCIAL CHRONICLE)

BOSTON, Mass.—Stanley Shepard, Jr. is now associated with H. W. Brewer & Company, 53 State St., members of the Boston Stock Exchange. He was formerly with Draper, Sears & Company.

With Black & Co.

(Special to THE FINANCIAL CHRONICLE)

PORTLAND, Ore.—John S. Kadkerly has been added to the staff of Black & Company, Inc., American Bank Building.

H. E. Lawrence With Lowell Hoit

CHICAGO, Ill. — Herbert E. Lawrence, a former member of the New York Stock Exchange, the American Exchange, the New Orleans Cotton Exchange and presently an active Broker and Member of the Chicago Board of Trade, has joined Lowell Hoit and Company, Board of Trade Bldg.

He will direct the expansion of Lowell Hoit's Commodities Futures business and will expedite their expanding activities on the floor of the Board of Trade. He will also act as Investment Consultant in the Securities Division of the firm.

Lowell-Hoit has recently added an additional branch to its already widespread Midwest and Southern coverage by the opening of its Memphis Office headed by Henry K. Hoyt.

Burgess & Leith Add

(Special to THE FINANCIAL CHRONICLE)

BOSTON, Mass.—Garrett J. Nagle has been added to the staff of Burgess & Leith, 53 State Street, members of the New York and Boston Stock Exchanges. He was previously with Schirmer, Atherton & Co.

Joins R. J. Buck

(Special to THE FINANCIAL CHRONICLE)

BOSTON, Mass. — William B. Bowering is now connected with Richard J. Buck & Co., Statler Office Building. He was previously with du Pont, Homsey & Company.

Over-The-Counter Supermarket For Largest Choice of Securities

Continued from page 29

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Chatham Manufacturing Co., Class A Blankets, apparel cloth, upholstery and sales yarns	26	0.16	3¾	4.2
Chemical Bank New York Trust Co.	a111	c2.40	55¼	4.3
Chenango & Unadilla Telephone Corp. Operating telephone company	34	1.35	28	4.8
Chicago, Burlington & Quincy RR. Co. Midwest carrier	98	7.50	145	5.2
Chicago City Bk. & Trust Co.	25	10.00	180	5.6
Chicago Medical Arts Building Corp. Office building	14	1.25	56	2.2
Chicago Mill and Lumber Wood and corrugated boxes, lumber, crude oil	20	1.25	23	5.4
Chicago Molded Products Corp. Plastic molders	21	0.40	8½	4.7
Chicago Title & Trust Co.	25	4.00	88½	4.5
Chilton Co. Publisher of business magazines	23	1.00	28½	3.5

Over-The-Counter Consecutive Cash Dividend Payers From 5 to 10 Years Appear in the Second Table Starting on Page 46.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
China Grove Cotton Mills Co. Combed yarn manufacturer	36	2.50	48½	5.2
Christiana Secur. Co. Holding company	*34	525.00	14,300	3.7
Citizens Commercial & Savings Bank (Flint, Mich.)	25	†2.02	70½	2.9
Citizens Fidelity Bank & Tr. (Louisville)	*41	1.60	45	3.6
Citizens National Bank (Los Angeles)	66	1.60	50¼	3.2
Citizens & Southern National Bank (Savannah)	55	1.50	41½	3.6
Citizens & Southern National Bank of S. C. (Charleston)	32	2.00	69	2.9
Citizens Utilities Co., Cl. B Public utility	22	0.54	16⅜	3.3
City National Bank & Tr. Co. of Chicago	19	3.00	79	3.8
City Nat. Bank & Trust Co. (Columbus, Ohio)	25	1.00	35	2.9

* Details not complete as to possible longer record.
† Adjusted for stock dividends, splits, etc.
a Including predecessors.
c Annual dividend rate indicated.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
City National Bank & Tr. Co. (Kansas City)	*32	0.80	57½	1.4
City Title Insurance Co. Title insurance	24	0.40	8½	4.7
City Trust Co. (Bridgeport, Conn.)	a106	1.60	36¾	4.4
Cleveland Quarries Co. Building and refractory stone	20	0.40	14	2.9
Cleveland Trencher Co. Manufacturer of mechanical trench excavators	12	0.60	9¾	6.2
Cleveland Trust Co.	24	6.00	323	1.9
Cleveland Union Stock Yards Company Operates livestock yards	54	0.50	10	5.0
Coca-Cola Bottling Co. of Los Angeles	36	1.60	43	3.9
Collins Co. Farm and cutting implements	*45	4.00	80	5.0
Collyer Insulated Wire Manufacturer of insulated wire and cable	42	1.50	25½	5.9
Colonial Stores Retail food stores in Southeast and Midwest	19	0.95	16½	5.8
Color-Craft Products, Inc. Wall coverings	12	0.50	4½	11.1
COLORADO CENTRAL POWER CO. Operating electric public utility ● See Company's advertisement on page 47.	26	†0.78	31	2.5
Colorado Interstate Gas Co. Natural gas transmission	25	1.25	33¾	3.7
Colorado Milling & Elevator Flour and prepared mixes for baking	15	1.40	19⅜	7.2
Commerce Trust Co. (Kansas City)	24	†1.50	56	2.7
Commerce Union Bank (Nashville)	44	1.00	38½	2.6
Commercial Banking Corp. Dealer financing	12	0.65	12	5.4
Commercial Discount Corp. Commercial financing	17	†0.11	8	1.4
Commercial Shear & Stamp. Pressed metal products, hydraulic oil equipment and forgings	25	1.00	16	6.3
Commercial Trust Co. of New Jersey (Jersey City)	55	4.00	94	4.3
Commonwealth Land Title Insurance Co. Title insurance	15	2.80	54½	5.1
Commonwealth Life Insurance Co. (Ky.) Life insurance (no accident & health)	19	0.20	18½	1.0
Commonwealth Trust Co. of Pittsburgh	58	1.20	50	2.4
Community Hotel Co. (Pa.) York, Pa., hotel	13	4.50	80	5.6
Concord Elect. (New Eng.) Operating public utility	55	2.40	44½	5.4
Conn (G. C.), Ltd. Top manufacturer of band instruments	12	0.60	20	3.0

* Details not complete as to possible longer record.
† Adjusted for stock dividends, splits, etc.
a Including predecessors.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Connecticut Bank & Tr. Co.	146	1.90	41	4.6
Connecticut General Life Insurance Co. Life, accident and health insurance (group and individual)	82	2.30	347	0.7
Connecticut Light & Power Operating public utility	38	1.10	23⅛	4.8
CONNECTICUT NATIONAL BANK (Bridgeport, Conn.) ● See Bank's advertisement on page 43.	**19**	**0.80**	**15¾**	**5.1**
Connecticut Printers, Inc. Commercial printing	80	1.85	35	5.1
Connohio, Inc. Sale of ice & oil, & warehousing	14	0.20	3¼	6.1
Consolidated Dearborn Owns office buildings in Chicago and Newark	14	1.40	27½	5.1
Consolidated Dry Goods Co. Department store chain	18	3.00	60	5.0
Consolidated Naval Stores Holding company, diverse interests	27	30.00	1060	2.8
Consolidated Rendering Co. Tallow, grease, meat scrap, fertilizers, hides and skins	25	1.40	15¾	8.9
Consolidated Theatres, Ltd., Class B Canadian theater chain	12	0.20	3	6.7
Consol. Water Pwr. & Paper Manufactures paper and paper products	27	1.30	37	3.5
Continental American Life Insurance Co. (Del.) Participating life	*35	1.80	67	2.7
Continental Assurance Co. Life, accident and health	47	1.20	145	0.8
Continental Casualty Co. Diversified insurance	26	†1.35	73½	1.8
Continental Illinois National Bank and Trust Co. of Chicago	25	4.00	112½	3.6
Cook Electric Co. Wire communication equipment	13	†0.09	16	0.6
Cosmopolitan Realty Co. Denver hotel	10	c16.00	255	6.3
County Trust (White Plains)	*56	†0.48	37½	1.3
Cowles Chemical Co. Mfg. industrial chemicals	21	0.60	20	3.0
Craddock-Terry Shoe Corp. Shoe manufacturer	20	1.00	23¼	4.3
Creamery Package Mfg. Co. Food processing and refrigerating machines and farm coolers	73	1.80	39	4.6
Crompton & Knowles Corp. Looms, dyestuffs, packaging equipment and reinforced plastics	28	†0.90	18½	4.9
Crown Life Insurance Co. Life, accident and sickness; also annuities	37	2.90	195	1.5
Cumberland Gas Corp. Operating public utility	13	0.60	7⅛	8.4
Cummins Engine Co. Diesel and gas engines	12	†0.53	39	1.4
Curlee Clothing Co. Men's suits and overcoats	21	†0.62	13	4.8
Dahlstrom Metallic Door Co. Doors, mouldings, cabinets	18	0.90	15	6.0
Dallas Transit Co. Local transit facilities	18	0.35	10¼	3.4
Darling (L. A.) Co. Manufacturing display equipment	13	†0.44	12¾	3.5
DAYTON MALLEABLE IRON CO. Iron, steel & aluminum castings ● See Company's advertisement on page 44.	**25**	**1.50**	**16¾**	**9.0**
De Bardelebon Coal Corp. Bituminous coal	12	10.00	140	7.1
Decker Nut Manufacturing Corp. Manufacturer of cold headed industrial fasteners	14	0.20	4¼	4.7
Del Monte Properties Co. Real estate	15	2.60	75	3.5
Delaware Railroad Co. Leased and operated by P.R.R.	63	2.00	33	6.1
Delta Electric Co. Hand lanterns and auto type switches, bicycle lamps and horns	24	0.50	9½	5.3
Dempster Mill Manufacturing Farm equipment	24	0.90	20½	4.4
Denver Chicago Trucking Co., Inc. Motor common carrier	10	1.00	22½	4.4
Denver United States National Bank	73	1.20	29¾	4.0
Detrex Chemical Industries, Inc. Chemicals, equipment and ultrasonics	*13	0.60	21¾	2.8
Detroit Aluminum & Brass Bearings and bushings	*14	0.60	12¾	4.7
Detroit Bank & Trust Co.	25	2.00	43	4.7
Detroit & Canada Tunnel Owns and operates international tunnel to Windsor	19	1.00	13⅝	7.3
Detroit International Bridge Operates bridge to Windsor	16	1.30	19⅛	6.8
Detroit Mortgage & Realty Co. Real estate financing	21	0.12	2⅜	5.1
Detroit Stamping Co. Pressed metal parts & specialties	27	0.80	12¾	6.3
Dewey Portland Cement Co. Cl. B Portland cement	*11	0.60	28	2.1
Diamond Portland Cement Manufacturer of Portland Cement	39	1.50	42	3.6
Dickey (W. S.) Clay Mfg. Co. Sewer and culvert pipes, tiles	24	†1.34	50¾	2.6

* Details not complete as to possible longer record.
† Adjusted for stock dividends, splits, etc.
c Annual dividend rate indicated.

Over-The-Counter Supermarket For Largest Choice of Securities

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Dictaphone Corp. Manufacture and sale of Dictaphone, dictating, recording and transcribing machines	34	†1.29	43¼	3.0
Dictograph Products Co. Inc. Manufacture and sale of Dictograph communications systems, home fire alarm systems, Acousticon and Monarch hearing aids	14	0.05	5	1.0
Discount Corp. of New York Dealers in U. S. Treasury securities and bankers acceptances	41	19.00	245	7.8
Dixon (Joseph) Crucible Co. Lead pencils and all graphite products	23	1.30	23¾	5.5
Dobbs Houses, Inc. Restaurant and airline catering	14	†0.41	24	1.7
Dollar Savings & Trust Co. (Youngstown)	20	†1.00	42	2.9
Donnelley (R. R.) & Sons Co. Largest commercial printer in United States	49	0.80	27½	1.4
Drackett Co. Household specialty chemicals	*27	1.35	36	3.8
Dravo Corp. Heavy engineering projects, marine equipment	21	2.00	44	4.5
Drexel Furniture Co. Furniture manufacturer	*24	1.85	29	6.4
Dovers Natl. Bk. (Chicago)	77	1.00	26	3.8
Ducommun Metals & Supply Distributors of metals, tools and industrial supplies	25	1.30	19¼	6.8
Duff-Norton Co. Industrial jacks and lifting equipment	70	2.00	37	5.4
Dun & Bradstreet Inc. Credit and marketing reports and publications	27	2.05	59	3.5
Duncan Electric Co., Class B	22	†0.95	20½	4.6
Dura Corp.	26	†0.39	20¾	1.9
Duriron Co. Corrosion resistant equipment	25	1.00	23¾	4.2
Eason Oil Co. Oil and gas production	19	0.20	10¼	2.0
Eastern Racing Assn. Suffolk Downs	19	0.30	5	6.0
Eastern Utilities Associates Holding company, New England public utilities	32	2.20	39½	5.6
Economics Laboratory, Inc. Chemical compound manufacturers	24	†0.70	24¾	3.2
Ecuadorian Corp., Ltd. (Bahamas) Holding co.—brewing interests	22	1.00	11¾	8.5
Edgewater Steel Co. Circle E. rolled steel railroad wheels and tires, steel rings and forgings	38	2.88	41	7.0
Edison Sault Electric Co. Electric utility	25	0.90	17¾	5.1
El Paso Electric Co. Public utility	32	†1.16	41¼	2.8
El Paso Natl. Bank (Texas)	35	2.40	59	4.1
Electric Hose & Rubber Co. Rubber hose	21	†1.47	41	3.6
Electrical Products Consol. Electrical signs	25	1.00	24¾	4.0
Electro Refractories & Abrasives Corp. Manufacturer of crucibles, refractories and abrasive products	26	†0.68	19¾	3.2
Elizabethtown Consolidated Gas Co. Natural gas distributing utility	67	1.60	36	4.4
Elizabethtown Water Co. (Consolidated) Operating public utility	80	†1.10	26	4.2
Emhart Manufacturing Co. Glass industry machinery	14	1.60	52	3.1
Empire State Oil Oil production and refining	13	0.60	9⅛	6.6
Empire Trust Co. (N. Y.)	54	†2.94	248	1.2
Employers Casualty Co. Fire and Casualty Insurance	36	1.00	30	3.3
Employers Reinsurance Corp. Multiple line reinsurance	46	1.75	51½	3.4
Equitable Trust Co. (Balt.)	45	†0.96	80	1.2
Equity Oil Co. Crude oil production	12	0.40	14¼	2.8
Erie & Kalamazoo RR. Leased by New York Central	111	3.00	45	6.7
Erlanger Mills Corp. Textile holding and operating co.	14	0.80	15	5.3
Erwin Mills, Inc. Textile mills	35	0.75	12½	6.0
Essex Co. Water power to mills	49	2.00	52	3.8
Exeter & Hampton Electric Company Operating public utility	52	2.60	45	5.8
Exeter Manufacturing Co. Cotton and glass fabrics	19	1.00	60	1.7
Exolon Co. Manufacture artificial abrasives and magnetic separators	26	2.20	40½	5.4
Faber Coe & Gregg, Inc. Tobacco wholesaler	26	4.00	55	7.3
Fafnir Bearing Co. Manufacturer of ball bearings	48	2.00	57	3.5
Fall River Gas Co. Operating public utility	*51	1.64	29½	5.6
Farrel-Birmingham Co. Mfrs. of heavy machinery	25	2.00	37½	5.3

* Details not complete as to possible longer record.
† Adjusted for stock dividends, splits, etc.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Fate-Root-Heath Co. Manufactures diesel locomotives, ceramic machinery and lawn-mower and saw sharpeners	26	1.10	20	5.5
Faultless Rubber Miscel. rubber goods, sponges	35	1.20	26	4.6
Federal Bake Shops, Inc. Chain of retail bake shops	24	0.50	6⅞	7.3
Federal Chemical Co. Fertilizers	16	6.00	85	7.1
Fed. Compress & Warehouse Cotton compress and warehousing	34	1.35	26	5.2
Federal Insurance Co. Multiple line insurance	58	1.00	56¾	1.8
Federal Screw Works Cold headed products and screws	19	1.00	18½	5.4
Federal Sign & Signal Corp. Electric signs, sirens, lights, traffic and highway signs	12	m0.74	17	4.4
Federated Publications, Inc. Michigan newspapers	25	†1.90	40	4.8
Federation Bank and Trust Co. (New York)	24	†1.49	30¾	4.8
Fidelity-Baltimore National Bank Merged in June 1960 with Maryland Trust Co. to form Baltimore National Bank. Fidelity stock was exchanged share-for-share				
Fidelity-Philadelphia Trust	95	c2.20	49½	4.4
Fidelity Union Tr. (Newark)	68	†2.90	68¾	4.2
Fifth Third Union Trust Co. (Cincinnati)	23	†2.35	64	3.7
Fifty Associates (Boston) Boston real estate	*14	c50.00	1425	3.5
Finance Co. of Pennsylvania Real estate and securities	31	2.40	55	4.4
Fireman's Fund Insur. Co. Multiple line insurance	52	1.80	56⅛	3.2
First Amer. Nat. Bk. (Nashv.)	22	1.20	28	4.3
First Bank Stock Corp. Bank holding company	31	1.90	47¼	4.0
First Bank & Trust Co. (South Bend)	21	†1.12	34	3.3
First Boston Corp. Investment banking	22	4.75	73½	6.5
First Camden National Bank & Trust Co. (N. J.)	15	†0.99	35	2.8
First City Natl. Bk. (Houston)	27	†1.13	35½	3.2
First Natl. Bank of Akron	21	†0.97	54	1.8
First Natl. Bank of Atlanta	94	1.60	39⅝	4.0
First Natl. Bank (Baltimore)	154	2.75	59	4.7
First Natl. Bank (Birming.)	17	1.40	58	2.4
First Natl. Bank of Boston	176	†2.83	69¼	4.1
First Natl. Bank (Chicago)	25	†1.60	65¼	2.5
First Natl. Bank of Cinn.	97	2.40	58¼	4.1
First Natl. Bank of Dallas	85	1.50	38	3.9
First Natl. Bank of Denver	*43	6.00	190	3.2
First National Bank of Fort Worth	27	0.50	26	1.9
First Natl. Bank (Jersey City)	96	3.15	62¾	5.0
First Natl. Bank (K. C.)	70	2.00	110	1.8

* Details not complete as to possible longer record.
† Adjusted for stock dividends, splits, etc.
c Annual dividend rate indicated.
m Shares split two-for-one on November 2, 1959.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
First Natl. Bank of Memphis	65	1.40	36	3.9
First Natl. Bank (Miami)	57	1.60	65	2.5
First Natl. Bank (Mobile)	94	4.50	126	3.6
First Natl. Bank (Omaha)	24	4.00	96½	4.1
First Natl. Bank of Oregon	89	2.40	52	4.6
First Natl. Bank of Passaic County (Paterson, N. J.)	95	3.50	70	5.0
First Natl. Bank (St. Louis)	42	†3.41	66	5.2
First National Bank of Shreveport, La.	23	1.40	50	2.8
First Natl. Bank (Wichita)	40	12.00	425	2.9
First Natl. Bk. T. (Okla. City)	32	1.00	35½	2.8
First National Bank and Trust Co. (Tulsa)	22	1.40	36	3.9
First National City Bank of New York	147	†2.96	77⅝	3.8
First National Exchange Bank of Roanoke	78	1.50	38¼	3.9
First National Trust & Savings Bank of San Diego	25	0.93	36	2.6
First New Haven National Bank (Conn.)	24	1.40	28¼	5.0
First Pennsylvania Banking & Trust Co. (Phila.)	132	†2.22	47⅝	4.7
First Trenton National Bank	85	†1.79	44½	4.0
FIRST WESTERN BANK & TRUST CO. (San Francisco) ● See Company's advertisement on page 49.	92	1.60	43½	3.7
Fitchburg Gas & Elec. Light Gas and electric company	101	3.00	55	5.5
Florida National Bank (Jacksonville)	24	1.00	94	1.1
Florida Public Utilities Co. Operating public utility	17	0.72	20½	3.5
Florida Telephone Corp. cl. A Telephone company	19	1.00	27¾	3.6
Foote Bros. Gear & Machine—Class B Precision and industrial gears, transmissions, chain, etc.	20	0.625	9¼	6.8
Foote-Burt Co. Drilling, reaming, tapping machines	31	0.30	12	2.5
Forbes & Wallace, Inc., Cl. B Dept. store, Springfield, Mass.	24	1.75	26	6.7
Fort Pitt Bridge Works Structural steel fabrication	18	1.00	25	4.0
Fort Wayne National Bank (Indiana)	25	†0.98	35	2.8
Ft. Worth National Bank	86	†0.98	26½	3.7
Fort Worth Transit Co. Fort Worth bus service	12	0.40	7¾	5.2
Fostoria Corp. Industrial lighting units	21	1.00	18	5.6
Fourth Natl. Bank and Trust Co., Wichita	*35	0.80	45	1.8
Fownes Brothers & Co. Gloves	13	†0.27	7	3.9
Fram Corp. Manufacturer of oil, air, fuel and water filters	18	†0.95	29½	3.2

* Details not complete as to possible longer record.
† Adjusted for stock dividends, splits, etc.

Continued on page 32

Over-The-CounterSupermarket For Largest Choice of Securities

Continued from page 31

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Franco Wyoming Oil Co. Oil production, exploration and development	24	1.00	21½	4.7
Frank (Albert)-Guenther Law, Inc. Professional advertising agency	17	0.80	17	4.7
Franklin Life Insurance Co. Life insurance	19	†0.43	70¼	0.6
Friedman (Louis) Realty Co. New York City real estate	13	0.40	12	3.3
Frontier Refining Co. Petroleum production, refining and marketing	14	†0.24	10½	2.3
Fruit of the Loom, Inc. Textiles	15	1.00	14	7.1
Fuller Brush Co., Class A Brushes	38	4.50	126	3.6
Fulton Market Cold Storage Refrigerated warehousing	30	0.50	9¾	5.1
Fulton Natl. Bank (Atlanta)	47	1.25	38¾	3.2
Funsten (R. E.) Co. Sheller and packer of pecans, walnuts and almonds	10	0.85	19½	4.4
Galveston-Houston Co. Holding company. Bus industry	21	0.50	7½	6.7
Gamble Brothers, Inc. Lumber products	10	†0.74	22	3.4
Garlock, Inc. Formerly Garlock Packing Co. Name changed in April 1960 Mechanical packings, gaskets, oil seals, mechanical seals and plastics	55	1.55	40½	3.8
Gary Natl. Bank (Indiana)	27	†4.50	300	1.5
Gary Railways, Inc. Transportation holding company	17	0.20	4½	4.4
Gas Service Co. Natural gas distributor serving Missouri, Kansas, Oklahoma and Nebraska	16	1.62	34⅜	4.7
General Crude Oil Co. Southeastern producer	22	†0.98	21	4.7
Gentral Industries Co. Mfrs. of small motors for electric phonographs, automobile heaters and home recording assemblies. Custom-molded plastic parts	20	†1.05	23¼	4.5
General Metals Corp. Marine and other machinery	25	1.20	19½	6.2
General Reinsurance Corp. All casualty, bonding fire and allied lines	26	2.00	101	2.0
Genuine Parts Co. Automotive parts	13	1.20	57	2.1
Georgia Marble Co. Marble production	17	†1.07	40¾	2.6
Germantown Fire Insurance Company Fire and allied lines insurance	12	3.00	140	2.1
Giddings & Lewis Mach. Tool Manufactures machine tools, to wit: horizontal boring, drilling and milling machines (table, floor and planer type); vertical turret lathes; vertical boring millis; planers (double housing and openside); planer type milling machines; contour mills; die sinking machines; radial and upright drilling machines; numerical and tracer control system; boring tools and related items; and machine tool accessories.	23	†0.29	14¼	2.0
Gilbert & Bennett Manufacturing Co. Wire cloth	18	0.50	10½	4.8

† Adjusted for stock dividends, splits, etc.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Girard Trust Corn Exchange Bank (Philadelphia)	124	2.50	53¼	4.7
Gisholt Machine Co. Turret lathes and tools	25	0.75	12	6.3
Glatfelter (P. H.) Co. Pulp and paper manufacture	16	1.10	41	2.7
Glen-Gery Shale Brick Corp. Brick and concrete products manufacturer	14	0.50	7½	6.7
Glens Falls Insurance Co. Multiple line insurance underwriter	94	1.00	35¾	2.8
Globe & Republic Insurance Co. of America Fire, marine, multiple peril coverages and allied lines	24	1.00	20	5.0
Goderich Elevator & Transit Co., Ltd. Grain elevator	56	1.50	19	7.9
Good Humor Corp. Well-known ice cream retailer	26	0.35	16¼	2.2
Goodall Rubber Co., Class A Hose, belting and packings	26	0.50	10	5.0
Gould Pumps, Inc. Pumps and water systems	12	†1.10	31¾	3.5
Govt. Employees Insurance Insurance—casualty and fire	13	†0.82	81	1.0
Grace Natl. Bank of New York	13	6.00	450	1.3
Grand Trunk Warehouse & Cold Storage Co. Detroit ice manufacturer	17	2.00	45	4.4
Graniteville Co. Cotton fabrics	19	2.70	34½	7.8
Great Amer. Ins. Co. (N. Y.) Diversified insurance	87	1.55	43½	3.6
Great Southern Life Ins. Co. Life, accident and health	*35	1.60	70	2.3
Great West Life Assurance Co. (Winnipeg) Life, accident and health	60	4.55	355	1.3
Green (Daniel) Co. House slippers	*23	6.00	87	6.9
Green (A. P. Fire Brick Co. Manufacturer of refractory products	34	1.00	21½	4.7
Green Giant Co., Class B Vegetable canning & distribution	*36	1.35	32	4.2
Gregory Industries, Inc. Stud welding equipment and welding studs	12	†0.57	19¼	3.0
Griess-Pfleger Tanning Co. Leather tanning	20	1.00	11	9.1
Grinnell Corp. Pipe fittings, sprinkler systems and piping systems	26	†3.90	158	2.5
Guarantee Co. of North America (Montreal) Guarantee, fire and casualty	87	13.50	112	12.1
Gulf Insurance Co. (Dallas) Fire and casualty insurance	28	1.00	38½	2.6
Gulf Life Insurance Co. (Jacksonville, Fla.) Life and accident	28	†0.48	18⅞	2.5
Hagan Chemical and Controls, Inc. Water treatment chemicals	25	†0.84	50	1.7
Hajoca Corp. Plumbing, heating and air conditioning supplies	18	†0.98	41	2.4
Halle Bros. Retail Department Stores	45	†0.91	33	2.8
Haloid Xerox Inc. (N. Y.)	31	†0.23	51	0.5
Hamilton Mfg. Home laundry appliances, and professional furniture	21	1.25	22¼	5.6
Hamilton National Bank (Chattanooga, Tenn.)	*55	2.00	82	2.4

* Details not complete as to possible longer record.
† Adjusted for stock dividends, splits, etc.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Hamilton National Bank of Knoxville, Tenn.	28	8.00	320	2.5
Hanna (M. A.), Class B Coal, iron, steel	26	3.00	117	2.6
Hanover Bank (The) (N. Y.)	107	†1.83	46½	3.9
Hanover Insurance Co. Fire and casualty insurance	107	2.00	43¾	4.6
Harris Trust and Savings Bank (Chicago)	52	†1.86	92	2.0
Harrisburg Hotel Co. Penn-Harris Hotel	25	3.00	40	7.5
Hart-Carter Co. Grain handling equipment	20	1.00	17	5.9
Hartford Fire Insurance Diversified insurance	87	†0.84	48½	1.7
Hartford Gas Co.	110	2.10	46½	4.5
Hartford Natl. Bank & Trust	131	1.58	35½	4.4
Hartford Steam Boiler Insp and Insurance Company Boiler and machinery insurance	89	2.50	77	3.2
Harvard Trust (Cambridge)	56	2.50	54½	4.6
Haverhill Gas Co. Gas service	42	1.55	28¼	5.5
Haverty Furniture Co. Holding company	25	†1.14	20½	5.6
Hershey Creamery Produces dairy products in Pennsylvania	28	2.50	46	5.4
Hibernia Bank (San Fran.)	12	3.00	74	4.1
Hibernia National Bank (New Orleans)	25	2.75	82½	3.3
Higbee Co. Department store	16	1.20	32½	3.7
Hines (Edward) Lumber Co. Timber logging and processing	19	2.50	36	6.9
Holyoke Water Power Co. Electric and hydraulic power, industrial steam and real estate	90	1.20	44	2.7
Home Finance Group, Inc. Holding company—auto financing	12	†0.42	8⅝	4.9
Home Insurance Co. (N. Y.) Fire, Casualty and Life	88	2.10	54⅞	3.8
Home Telephone and Telegraph Company of Virginia Local and long distance phone service	39	0.36	7⅝	4.7
Home Title Guaranty Co. (Brooklyn, N. Y.) Title insurance	19	1.25	29	4.3
Hooven & Allison Co. Ropes and twine	29	†1.50	11	13.6
Hoover Co., class A Vacuum cleaners	17	†0.90	19¼	4.7
Hotel Barbizon, Inc. New York City	26	18.00	545	3.3
Hotel Gary Corp. Indiana Hotel	24	0.50	48½	1.0
Hotel Syracuse, Inc. 606 rooms	16	2.55	37½	6.8
Housatonic Public Serv. Co. Connecticut public utility company, gas and electric	18	1.44	27¾	5.2
Houston Natural Gas Corp. Southern Texas utility	24	0.80	37¾	2.1
Hubinger Co. Corn refining	11	1.30	25½	5.1
Huntington National Bank of Columbus (Ohio)	48	1.80	66	2.7
Huston (Tom) Peanut Co. Confection and food products	23	†2.20	70	3.1
Huyck, Corp. Formerly F. C. Huyck & Sons Name changed in December 1959 Manufactures papermakers' felts, industrial fabrics, precision instruments and control devices	53	†0.47	27½	1.7
Idaho First Natl. Bk. (Boise)	27	1.25	38	3.3

† Adjusted for stock dividends, splits, etc.

Continued on page 33

Form Inv. Managem't Corp.

DENVER, Colo. — Investment Management Corporation is conducting a securities business from offices at 818 Seventeenth Street. Officers are Edward M. Mabey, President; Eugene A. Jones, Vice-President; Richard W. Haas, Treasurer; Owen W. Bunker, Secretary; and Harold S. Gloomenthal, Assistant Secretary.

D. K. Kelly Opens

(Special to THE FINANCIAL CHRONICLE)

SHERMAN OAKS, Calif.—Donald K. Kelly is conducting a securities business from offices at 4421 Ventura Canyon Avenue.

Form McClane & Co.

McClane & Co., Inc. has been formed with offices at 26 Broadway, New York City, to engage in a securities business. Officers are Walter McClane, President and Treasurer; and E. G. McClane, Vice-President and Secretary. Mr. McClane was formerly an officer of Glenn Arthur Co., Inc.

J. R. Haas With Francis I. duPont

John Ross Haas, formerly Vice-President of Lionel D. Edie & Co. and Director of its Economic Consulting Service, has become associated with Francis I. duPont & Co., 1 Wall Street, New York City, as Director of Institutional Services, it was announced by A. Rhett duPont, senior partner of the nation - wide investment firm.

John Ross Haas

Mr. Haas also was previously associated with Moody's Investor Service and Standard Statistics Company.

Mr. Haas is a graduate of Columbia College and the Columbia School of Business. He has served on the economics faculty at Columbia University as instructor in charge of business administration courses of the New York Chapter of the American Institute of Banking. He is currently on the Institute's economics faculty.

During World War II, Mr. Haas served with the Air Force as Chief of its Far Eastern section headquarters Intelligence Service directing the economic and industrial evaluation of Japan's capacity to wage war and selecting strategic objectives of air attack.

Mr. Haas also served as the Air Force member of the war-time Far Eastern Enemy Oil Committee. He was awarded the Bronze Star and a special citation by General LeMay.

Granbery, Marache To Admit Wood

Granbery, Marache & Co., 67 Wall Street, New York City, members of the New York Stock Exchange will admit Winston E. Wood to partnership on Oct. 27. Mr. Wood will become a member of the New York Stock Exchange on the same date.

Joins Coburn, Middlebrook

(Special to THE FINANCIAL CHRONICLE)

BOSTON, Mass. — Herbert M. Nathanson has become affiliated with Coburn & Middlebrook, Incorporated, 75 Federal Street.

With Powell, Kistler

(Special to THE FINANCIAL CHRONICLE)

FAYETTEVILLE, N. C.—F. Layton Taylor Jr. is now connected with Powell, Kistler & Company, 110 Old Street, members of the New York Stock Exchange.

Over-The-CounterSupermarket For Largest Choice of Securities

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	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Imperial Sugar Co. — Sugar refining	22	2.50	52	4.8
Indiana Gas & Water Co., Inc. — Natural gas and water utility	14	1.00	22¾	4.4
Indiana National Bank of Indianapolis	95	o 2.80	69¾	4.0
Indianapolis Water Co. — Operating water utility	48	f1.05	24¾	4.2
Industrial Bank of Commerce (New York)	25	†1.93	40	4.8
Industrial Mortgage & Trust Co. (Ontario) — Savings, trust and mortgages	*33	6.00	111	5.4
Industrial Natl. Bank (Prov.)	a168	1.80	42	4.3
Insley Manufacturing Corp. — Manufacture and sale of construction cranes, shovels, etc.	14	0.25	10	2.5
Insurance Co. of the State of Pennsylvania — Diversified insurance	40	1.40	46	3.0
Inter-County Title Guaranty & Mortgage Co. — Title insurance	12	†0.49	17½	2.8
Inter-Mountain Telephone Company — Operating public utility	34	0.80	16	5.0
Inter-Ocean Reinsurance Co. — Reinsurance—multiple lines	38	1.60	50	3.3
Interstate Bakeries Corp. — Wholesale bread and cake bakeries	13	1.60	31¼	5.1
Interstate Financial Corp. — Small loans	19	0.80	12	6.7
Interstate Hosts, Inc. — Restaurant chain. **Formerly Interstate Co. New name adopted in July, 1959**	16	†1.45	24½	5.9
Interstate Motor Freight System — Common motor carrier	11	0.60	11½	5.2
Interstate Securities Co. — Automobile financing and consumer loans	33	0.95	16⅝	5.7
Iowa Public Service Co. — Electricity, natural gas, steam & water	21	†0.76	18½	4.1
Iowa Southern Utilities Co. — Public utility, electric, gas, steam heat	14	1.42	31⅞	4.5
Irving Trust Co. (N. Y.)	54	†1.58	37⅝	4.2
Ivey (J. B.) & Co. — Department store chain	29	1.00	16¾	6.0
Jacobsen Manufacturing Co. — Power lawn mowers	21	0.30	6½	4.6
Jahn & Ollier Engraving Co. — Photo-engraving and offset color positives	27	0.25	4⅜	5.7
Jamaica Water Supply Co. — Public Utility, water supplier	42	2.20	41	5.4
Jantzen, Inc. — Sportswear manufacturing	19	†0.77	32½	2.4
Jefferson Standard Life Ins. — Life insurance	48	†0.70	38¾	1.8
Jenkins Bros. — Valves	25	2.25	46	4.9
Jersey Insur. Co. of N. Y. — Multiple line insurance	a26	1.54	32½	4.7
Jersey Mortgage Co. — Mortgage banking and real estate	10	3.00	50	6.0
Johnson Service Co. — Temperature and air conditioning controls	*25	2.50	95	2.6

* Details not complete as to possible longer record.
† Adjusted for stock dividends, splits, etc.
a Including predecessors.
f Plus one share of 111 Realty Corp. common, for each 10 shares held.
o Dividend rate now $3.00 per annum.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Jones & Lamson Machine Co. — Turrets; automatic and tracer lathes; thread and form grinders; optical comparators; precision boring machines; die heads and chasers; tape controlled equipment	25	1.00	19½	5.1
Joslyn Manufacturing & Supply Co. — Electrical and communication pole line equipment	25	2.40	64	3.4
Julian & Kokenge Co. — Women's shoes	32	1.25	34	3.7
Kahler Corp. — Hotels, restaurant and laundry operator	44	1.70	25	6.8
Kansas City Fire & Marine Insurance Co. — Multiple-line insurance	25	1.25	29¼	4.3
Kansas City Life Ins. Co. — Non-participating life	*36	10.00	1230	0.8
Kansas City Structural Steel — Buildings, bridges and tanks	12	0.55	13	4.2
Kansas City Title Insurance Company — Title insurance, abstracts, escrow	20	2.50	60	4.2
Kansas-Neb. Natural Gas Co. — Natural gas production, transmission and distribution	23	†1.24	25	5.0
Kendall Refining Co. — Producing, refining and marketing of petroleum and its products	58	1.35	21¾	6.2
Kennametal Inc. — Hard carbide compositions, cutting tools and specialties	17	1.70	32	5.3
Kent-Moore Organization — Special service tools & equipment	12	†0.96	22¼	4.3
Kentucky Central Life & Accident Insurance Co. — Non-participating life	22	0.45	15½	2.9

* Details not complete as to possible longer record.
† Adjusted for stock dividends, splits, etc.

Continued on page 34

Over-The-CounterSupermarket For Largest Choice of Securities

Continued from page 33

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Kentucky Stone Co. Crushed stone	17	†2.46	50	4.9
Kentucky Utilities Co. Electricity supplier	21	1.58	40⅜	3.9
Kerite (The) Company Manufacture insulated wire and cable	28	1.50	22¾	6.6
Keyes Fibre Co. Manufacturer of molded pulp and fibrous plastic articles	10	†0.61	15⅜	4.0
Keystone Portland Cement Co. Manufactures cement	10	2.50	32¾	7.6
Kings County Trust Company, Brooklyn, N. Y.	70	4.00	111	3.6
Kingsport Press, Inc. Book manufacturing	16	†0.78	46	1.7
Kinney Coastal Oil Crude oil produced	18	0.17	2⅛	8.0
Kirsch Company Manufacture venetian blinds, drapery hardware and refrigeration hardware	13	1.00	21¼	4.7
Kittanning Telephone Co. Communication	42	1.40	24	5.8
Knudsen Creamery Co. of California Wholesale dairy products	20	†1.17	28	4.2
Koehring Co. Earth moving and construction equipment	19	0.60	10⅞	5.5
Kuhlman Electric Co. Manufacturer transformers, metal melting furnaces, fabricate aluminum products and packaging	14	0.80	11¾	6.8
Kuner-Empson Co. Canned vegetables, bottled pickles	14	0.075	3½	2.1
Kuppenheimer (B.) & Co., Inc. Manufacturer of men's clothing	19	1.00	25	4.0
La Salle Natl. Bk. (Chicago) Makes and wholesales men's clothing	12	3.00	101	3.0
Laclede Steel Co. Basic steel manufacturer	49	9.00	220	4.1
Lake Superior Dist. Pwr. Co. Public utility (electric and water)	24	1.24	24⅜	5.1

† Adjusted for stock dividends, splits, etc.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Lake Superior & Ishpeming Railroad Co. Operating railroad	36	1.60	26	6.2
Lake View Trust & Savings Bank (Chicago)	*40	†1.60	128	1.3
Lamston (M. H.) Inc. Variety store chain	16	0.50	9¾	5.1
Lang & Co. Wholesale grocery, beer distributing and investments	21	0.40	6¼	6.4
Langendorf United Bakeries West Coast baker	22	1.25	26¼	4.8
Latrobe Steel High speed, tool and die, stainless steels	22	†1.45	16¼	8.9
Lau Blower Co. Manufacture of air moving equip.	25	0.40	5¾	7.0
Lee (H. D.) Co. Inc. Mfr. of work, utility and play clothing	27	†0.88	17¾	5.0
Leece-Neville Co. Starting-light equipment for autos and aircraft	37	†0.49	14	3.5
Liberty Bk. of Buffalo (N.Y.)	15	1.55	41	3.8
Liberty Life Insur. Co. Voting Non-participating	18	†0.16	17	0.9
Liberty Loan Corp. Consumer credit	25	†1.11	32½	3.4
Liberty Natl. Bank & Trust Co. of Louisville	19	2.40	62	4.0
Liberty Natl. Bank & Trust Co. of Oklahoma City	25	0.90	33½	2.7
Liberty National Life Insurance Co. Life insurance	28	0.30	57¼	0.5
Life & Casualty Ins. of Tenn. Life, accident and health	24	0.60	17	3.4
Lincoln Natl. Bank & Trust Co. of Fort Wayne	20	2.80	80	3.5
Lincoln National Bank & Trust Co. of Central N. Y.	a26	1.65	39	4.2
Lincoln Natl. Life Ins. Co. Life insurance	41	2.00	235	0.9
Lincoln Rochester Trust Co. (Rochester)	24	†2.56	65	3.9
Lincoln Square Building Co. Springfield, Ill. real estate	26	9.00	106	8.5
Lincoln Telephone & Telegraph Co. Operating public utility	32	2.60	64	4.1
Loblaw Inc. Grocery chain	23	†0.25	12¼	2.0

* Details not complete as to possible longer record.
† Adjusted for stock dividends, splits, etc.
a Including predecessors.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Lock Joint Pipe Co. Water and sewer pipe	24	0.78	18¼	4.3
Loft Candy Co. Leader in the candy field	18	0.20	3⅝	5.5
Lone Star Brewing Co. Lager beer	15	2.25	39	5.8
Longhorn Portland Cement Manufacturer of Portland Cement	23	2.00	30¾	6.5
Lorain Telephone Co. Operating public utility	a64	1.40	33	4.2
Louisiana State Rice Milling Co. Rice and by-products	20	0.60	22	2.7
Louisville Title Co. Formerly Louisville Title Mortgage Co. Name changed in February 1960 Title insurance on real estate	24	1.40	28	5.0
Louisville Trust Co. (Ky.)	17	1.60	42½	3.8
Lucky Stores, Inc. Retail food chain on Pacific Coast	15	†0.78	18¼	4.3

Over-The-Counter Consecutive Cash Dividend Payers From 5 to 10 Years Appear in the Second Table Starting on Page 46.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Ludlow Corp. Formerly Ludlow Manufacturing & Sales Co. Name changed in March 1960 Textiles, paper, plastics and rug cushions	88	1.85	37¾	4.9
Ludlow Typograph Co. Typesetting equipment	15	1.00	15	6.6
Luminator-Harrison, Inc. Automotive & electrical products	14	†0.76	16½	4.6
Lynchburg Foundry Co. Cast iron products	21	1.00	20	5.0
Lynchburg Gas Co. Natural gas supplier	17	1.03	26	4.0
Lynn Electric Corp. Formerly Lynn Gas & Electric Co. Stockholders received 3/10ths share Lynn Gas Co. and 7/10ths share Lynn Electric Co. for each share held Operating public utility	53	1.70	29¾	5.7
Lyon Metal Products, Inc. Fabricated steel products	23	1.80	38	4.7

† Adjusted for stock dividends, splits, etc.
a Including predecessors.

In Investment Business

(Special to THE FINANCIAL CHRONICLE)

BERKELEY, Calif. — Lars and Hilda Svendsgaard are conducting a securities business from offices at 1803 Euclid Avenue.

J. P. Lewis & Staff Join Marshall Company

(Special to THE FINANCIAL CHRONICLE)

MILWAUKEE, Wis. — J. Parish Lewis, John P. Lewis, Dorothy K. Nierzwicki, Samuel Ostach and Mrs. June K. Kumbera have become associated with the Marshall Company, 765 North Water St. J. Parish Lewis was formerly President and John P. Lewis Vice- President and Secretary of J. P. Lewis & Co., Inc., with which the others were also associated.

Two With Merrill Lynch

(Special to THE FINANCIAL CHRONICLE)

PORTLAND, Ore.—John E. Bates and Andre E. Huycke have been added to the staff of Merrill Lynch, Pierce, Fenner & Smith, Incorporated, Executive Building.

Pasternack Admits

Pasternack & Co., 92 Liberty St., New York City, members of the American Stock Exchange, have admitted Julius Bennett and Edward Bennett to limited partnership.

Forms Burbank Co.

BOSTON, Mass. — Burbank & Company, Inc. has been formed with offices at 80 Federal Street to engage in a securities business. Nelson S. Burbank is President and Treasurer. He is proprietor of Nelson S. Burbank & Company.

Over-The-Counter Supermarket For Largest Choice of Securities

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Macco Corp. — Heavy construction and four subsidiaries	12	†0.44	11	4.0
Macmillan Co. — Well-known book publisher	62	1.50	52	2.9
Macwhyte Co. — Wire, rope, cables	25	1.75	33	5.3
Mading Drug Stores Co. — Houston drug chain	14	0.60	11¼	5.3
Madison Gas & Electric Co. — Public utility, gas and electric	51	†1.00	25½	3.9
Magor Car Corp. — Railroad rolling stock	24	2.00	30	6.7
Mahon (R. C.) Co. — Fabricated structural steel and sheet metal products	24	1.00	16	6.3
Maine Bonding & Casualty Co. — Multiple line fire and casualty	a21	0.80	18	4.4
Manufacturers Life Insur. Co. — Life insurance	*51	3.10	262	1.2
Manufacturers National Bank of Detroit	21	2.00	44¼	4.5
Manufacturers & Traders Trust Co. (Buffalo, N. Y.)	73	†1.19	28⅜	4.2
Manufacturers Trust (N. Y.)	51	2.30	55¼	4.2
Market Basket (Los Ang.) — Retail market chain	21	†0.97	24	4.0
Marlin-Rockwell Corp. — Mfr. ball and roller bearings	36	†0.99	18⅞	5.2
Marmon-Herrington Co. Inc. — Heavy duty trucks, mining equipment and supplies	10	0.60	10	6.0
Marshall-Wells Co. — Manufactures and wholesales hardware and kindred lines	*15	5.50	345	1.6
Maryland Casualty Co. — Multiple-line insurance	12	1.50	36	4.2
Maryland Credit Finance Corp. — Auto financing	13	1.95	33½	5.8
Maryland Shipbuilding & Drydock Co. — Ship construction, conversion, repairs and manufacturer of industrial products	26	1.25	22¼	5.6
Maryland Trust Co. — Merged in June 1960 with Fidelity-Baltimore National Bank to form Baltimore National Bank. Stockholders of Maryland Trust receive 1.8 shares for each share held				
Massachusetts Bonding & Insurance Co. — Diversified insurance	24	2.00	42	4.9
Massachusetts Protective Association, Inc. — Accident and sickness insurance	27	1.55	72	2.2
Massachusetts Real Estate Co. — Real estate	25	4.75	112	4.2
Mastic Corp. — Imprinted brick and insulating siding	20	0.20	7⅝	2.6
Mathews Conveyor Co. — Conveying equipment	14	1.00	21½	4.7
Matthiessen & Hegeler Zinc Co. — Zinc smelting and rolling. Manufacturers of sulphuric acid and ammonium sulphate	14	†0.78	26½	2.9
Maxson (W. L.) Corp. — Electronic equipment	11	0.15	10½	1.4
Mayer (Oscar) & Co., Inc. — Meat and meat processing	24	0.80	42	1.9
McCloud River Lumber Co. — Western softwood lumber	25	4.00	125	3.2
McCormick & Co. Inc. — Manufacturers & distributors of spices, extracts, tea, etc.	36	1.40	30½	4.6
Meadville Telephone Co. — Operating public utility	36	2.00	32½	6.2
Medford Corp. — Lumber manufacturer	20	12.00	260	4.6
Mellon Natl. Bank & Trust	a65	†3.94	138	2.9
Melrose Hotel Co. — Dallas residential and transient hotel	28	2.00	37	5.4

* Details not complete as to possible longer record.
† Adjusted for stock dividends, splits, etc.
a Including predecessors.

Continued on page 36

Scott, Lachman With Robt. Harris

PHILADELPHIA, Pa.—Robert M. Harris, President, Robert M. Harris & Co., Inc., 6 Penn Center Plaza, has announced the establishment of a Syndicate and Dealer Relations Program managed by Thomas A. Scott. Scott formerly headed these operations for R. P. and R. A. Miller & Co., Inc.

Carl Lachman, Jr.

Carl Lachman, Jr. was appointed Manager of the firm's new Trading Department. Prior to his joining the Harris organization, Lachman was associated with Laird, Bissell & Meads and Eastman Dillon Union Securities for the past 30 years.

Nat'l Bank Women Elect Officers

PASADENA, Calif. — Mrs. Marion Anderton, assistant cashier, Bank of America NT&SA, San Francisco, has been elected President of the National Association of Bank Women.

Other officers announced at the 38th annual convention at the Huntington-Sheraton Hotel here were:

Vice-President—Miss Hilda H. Kollmann, Director, Vice-President, cashier and trust officer, State Bank of Blue Island, Blue Island, Ill.

Recording Secretary — Miss Tillie McCoy, assistant manager, Crocker-Anglo National Bank, Hayward, Calif.

Corresponding Secretary—Mrs. Frances W. Partridge, Assistant Vice-President, Central Valley National Bank, Oakland.

Treasurer—Mrs. Ann Beno assistant cashier, Pullman Trust & Savings Bank, Chicago.

The new NABW President is a charter member and Past President of the Bay Area Personnel Women and is a former member of the Board of Governors, YWCA.

Nicholas With Arthur Wood

(Special to THE FINANCIAL CHRONICLE)

BOSTON, Mass. — Clifford A. Nicholas has joined the staff of Arthur W. Wood Company, 19 Congress Street. He was formerly with Matthew Lahti & Co., Inc with whom he had been associated for many years.

Joins Saunders, Stiver

(Special to THE FINANCIAL CHRONICLE)

CLEVELAND, Ohio—Clifford W. Henderson has joined the staff of Saunders, Stiver & Co., Terminal Tower, members of the Midwest Stock Exchange. He was formerly with Ball, Burge & Kraus.

Harris, Upham Lecture Series

Harris, Upham & Co., has announced that an informal complementary investment series, conducted by Mrs. Rose O'Neill, Harris, Upham registered representative in the firm's 99 Park Avenue, New York City office.

A 60-minute lecture and discussion period will be given on Oct. 24 and Oct. 31, treating in order: "Individual Investment Planning;" and "Information An Investor Should Have and Where to Get It."

With Martin, Monaghan

(Special to THE FINANCIAL CHRONICLE)

BOSTON, MASS.—John H. Sullivan, Jr. has become associated with Martin, Monaghan & Mulhern, Inc. of Ardmore, Pa. He was formerly with Bache & Co. and Nelson S. Burbank Company.

J. F. Egan Opens

POMPTON LAKES, N. J.—James F. Egan is engaging in a securities business from offices at 208 Midland Avenue.

Over-The-CounterSupermarket For Largest Choice of Securities

Continued from page 35

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Mercantile National Bank of Chicago	24	2.00	44	4.5
Mercantile National Bank at Dallas	25	1.24	31½	3.9
Mercantile-Safe Deposit and Trust Co. (Baltimore)	92	5.00	109½	4.5
Mercantile Trust (St. Louis)	58	†1.58	40	4.0
Merchandise National Bank of Chicago	26	1.10	35	3.1
Merchants Acceptance Corp. Small loans and general financing	23	1.80	27	6.7
Merchants Fire Assur. Corp.	48	1.20	32½	3.7
Merchants and Manufacturers Insurance Co. of N. Y. Fire, marine, allied lines and multiple peril insurance coverages	24	0.65	12½	5.2
Merchants National Bank of Boston	129	†1.81	43½	4.2
Merchants National Bank in Chicago	22	1.50	42	3.6
Merchants National Bank of Mobile	59	†1.65	43½	3.8
Merchants National Bank & Trust Co. (Indianapolis)	*35	†0.72	44	1.7
Merchants National Bank & Trust Co. of Syracuse	20	1.60	39	4.1
Meredith Publishing Co. Publishing and radio and television broadcasting	32	1.80	42	4.3
Messenger Corp. Manufacture and sales of funeral director service, religious calendars and greeting cards	24	0.60	12	5.0
Metropolitan Storage Warehouse Co. General warehouse	41	3.50	30	11.7
Meyercord Co. Decalcomanias	19	0.25	11¼	2.2
Michigan Gas & Electric Co. Electric and gas utility	15	2.00	76½	2.6
Mich. Natl. Bank (Lansing)	19	†0.92	38	2.4
Michigan Seamless Tube Co. Steel tubing	21	1.25	24½	5.1
Middle States Telephone Co. of Illinois Telephone service	21	†0.74	25½	2.9
Middlesex County Natl. Bank (Mass.)	24	2.50	51½	4.9
Middlesex Water Co. Operating public utility	47	†0.92	18	5.1
Midwest Rubber Reclaiming Mfrs. of reclaimed rubber	23	1.50	22	6.8
Miles Laboratories, Inc. Alka Seltzer	66	1.50	70½	2.1
Miller Mfg. Co. Tools for auto and engine repair	18	0.45	10¾	4.2

* Details not complete as to possible longer record.
† Adjusted for stock dividends, splits, etc.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Miller & Rhoads, Inc. Richmond (Va.). department store	41	1.20	26	4.6
Millers Falls Co. Tools	*23	†0.59	13½	4.4
Minneapolis Gas Co. Natural gas distributor	a41	1.53	32	4.8
Mississippi Glass Co. Rolled glass, wire glass, etc.	13	2.00	34½	5.8
Mississippi Shipping Co. Steamship operators	35	1.00	13¾	7.3
Mississippi Valley Barge Line Co. Commercial carrier; freight on rivers	18	0.80	13½	5.9
Missouri-Kansas Pipe Line Holding company	20	3.60	90	4.0
Missouri Utilities Electricity and natural gas	18	1.36	28¾	4.7
Mobile Gas Service Corp. Operating public utility	15	1.10	23½	4.7
Mohawk Petroleum Corp. Oil production	15	0.50	25	2.0
Mohawk Rubber Co. Rubber mfg.; tires, tubes, camelback and repair materials	18	†0.93	25½	3.6
Monarch Mills Sheetings and print cloths	27	1.20	31	3.9
Montana Flour Mills Co. Flour and feeds	20	0.80	20	4.0
Monumental Life Ins. (Balt.) Life insurance	32	1.20	54	2.2
Moore Drop Forging Co. Light machining & drop forgings	23	0.80	14⅛	5.7
Moore-Handley Hardware Hardware wholesaler	13	0.60	9⅜	6.4
Morgan Engineering Co. Produces mills, cranes, etc.	13	1.20	20½	5.9
Morgan Guaranty Trust Co.	a68	4.00	99½	4.0
Morris Plan Co. of California Industrial loan company	35	2.20	40	5.5
MORRISON-KNUDSEN CO., INC. General contractors, heavy construction ● See Company's advertisement on page 42.	21	1.90	32½	5.8
Mosinee Paper Mills Co. Sulphate pulp and paper	20	1.50	33	4.5
Motor Finance Corp. Auto financing and insurance	35	4.00	81	4.9
Murray Co. of Texas Cottonseed oil	15	†1.10	18¾	5.9
Mystic Valley Gas Co. Natural gas distributor	65	2.75	40	6.9
Nalco Chemical Co. Water and petroleum treatments and industrial chemicals	32	†0.85	40¼	2.1
National American Bank of New Orleans	34	†1.65	40	4.1
National Bank of Commerce of Houston	38	†2.89	139	2.1
National Bank of Commerce in Memphis	21	2.00	57	3.5
National Bank of Commerce in New Orleans	26	†1.02	30¼	3.4

* Details not complete as to possible longer record.
† Adjusted for stock dividends, splits, etc.
a Including predecessors.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
National Bank of Commerce of Norfolk	71	r2.85	54¾	5.2
National Bank of Commerce of San Antonio	58	1.60	54½	2.9
National Bank of Detroit	27	2.00	55	3.6
National Bank of Toledo (Ohio)	20	1.55	50	3.1
National Bank of Tulsa	16	†0.98	38½	2.5
National Bank of Washington (Tacoma)	54	2.00	51	3.9
National By-Products, Inc. Animal products	23	0.10	4¾	2.1
National Casualty Co. Accident, health, casualty insur.	27	2.00	60	3.3
Natl. City Bank of Cleveland	24	†2.24	71½	3.1
National Commercial Bank & Trust Co. (Albany, N. Y.)	105	1.25	42½	2.9
Natl. Fire Ins. Co. of Hartf'd Diversified insurance	89	2.00	145	1.4
National Food Products Corp. Holding company; chain food stores	20	1.10	16	6.9
National Gas & Oil Corp. Natural gas and Pennsylvania grade crude oil	10	1.25	20	6.3
National Life & Accident Insurance Co. (Nashville) Life, accident and health	57	0.60	98½	0.6
National Lock Co. Mortise locks	19	0.60	12	5.0
National Newark & Essex Banking Co. (Newark)	155	†2.94	59¼	5.0
National Oats Co. Cereals, animal feeds	34	0.60	13¼	4.5
National Reserve Life Insurance Co. Participating and nonparticipating	17	0.60	165	0.4
National Screw & Mfg. Co. Screws, bolts and nuts	70	†2.44	47	5.2
Natl. Shawmut Bk. (Boston)	*63	2.35	51½	4.6
National Shirt Shops of Del. Chain, men's furnishings	21	0.90	14	6.4
National State Bk. (Newark)	148	2.55	60¼	4.2
National Tank Co. Manufactures and sells oil field equipment	13	1.20	21¼	5.6
National Terminals Corp. Midwest storage facilities	16	1.00	14¾	6.8
National Union Fire Insur. Diversified insurance	25	2.00	35¼	5.7
Nazareth Cement Co. Pennsylvania producer	15	2.00	28	7.1
Nekoosa-Edwards Paper Class A voting stock Pulp and papers	19	g0.74	22	3.4
New Amsterdam Casualty Diversified insurance	23	2.00	50¼	4.0
New Britain Gas Light Co. Public utility, gas distribution	101	2.00	43½	4.6

* Details not complete as to possible longer record.
† Adjusted for stock dividends, splits, etc.
g Plus 5% payable in class B stock.
r The $2.85 cash dividend figure includes semi-annual payments of $1 each in July 1959 and Jan. 1960; a 25 cent extra in latter month; also a 60 cent payment in March 1960 which was the first under new policy of paying dividends quarterly. Hence, the stock is now on a $2.40 annual basis.

Over-The-CounterSupermarket For Largest Choice of Securities

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
New Britain Machine Machine tools	24	1.15	18	6.4
NEW ENGLAND GAS & ELECTRIC ASSOCIATION Owning investments in several operating utility companies ● See Company'sadvertisement on page 42.	13	1.13	23½	4.8
New England Lime Co. Lime products	13	0.80	46½	1.7
New Hampshire Insurance Co. All insurance lines except life	91	†2.00	52½	3.8
New Haven Gas Co. Operating public utility in Conn.	110	2.00	39	5.1
New Haven Water Co. Operating public utility in Conn.	81	3.40	67	5.1
New Jersey Bank & Trust Co. (Clifton, N. J.)	a91	1.55	30⅛	5.1
New Jersey Natural Gas Co. Natural gas distributor	10	1.34½	23¼	5.7
New York Fire Insurance Co. Fire, marine, multiple peril insurance, and allied lines	27	1.50	31½	4.8
New Yorker Magazine Publishes "The New Yorker"	31	4.10	93	4.4
Newport Electric Corp. Rhode Island utility	21	1.10	22½	4.9
Nicholson File Co. Manufactures files, rasps & saws	88	1.20	22	5.5
No-Sag Spring Co. Furniture and bedding springs	23	0.50	11½	3.1
Norfolk County Trust Co. (Brookline, Mass.)	23	2.25	48½	4.6
North American Life Insurance Co. of Chicago Life, accident & health	20	†0.19	13½	1.4
North American Refractories Fire brick & refractory materials	13	2.00	32½	6.2
North Carolina National Bank Charlotte, N. C. Formed in June 1960 via merger of American Commercial Bank of Charlotte, and the Security National Bank of Greensboro	24	---	--	--
North & Judd Mfg. Co. Manufacturing variety of hardware	97	†1.00	17¾	5.6
North Penn Gas Co. Natural gas public utility	10	0.65	12⅞	5.0
North River Insurance Co. Diversified insurance	122	1.55	35½	4.4
North Shore Gas Co. (Ill.) Retail distributor of natural gas	17	1.05	27½	3.8
Northeastern Ins. of Hartford Reinsurance	14	0.33	12¼	2.7
Northeastern Pennsylvania Natl. Bank & Trust Co.	a97	2.50	50	5.0
Northern Engineering Works Cranes and hoists	*20	0.60	8½	7.1
Northern Insurance (N. Y.) Diversified insurance	50	1.50	40½	3.7

* Details not complete as to possible longer record.
† Adjusted for stock dividends, splits, etc.
a Including predecessors.

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SECURITY SALESMAN'S CORNER

BY JOHN DUTTON

Opportunities To Build A Better Investment Business Abound

For many years I have read much of the advertising released by financial firms. Often the promises made are far greater than the performance. Offers to give unbiased investment advice, and reviews of investment holdings, are no doubt concientiously made by the advertising department. Yet the analyses in too many instances are superficial and the advice is far from being of any lasting value to the investor. I have often read reports on various common stocks that were filled with fundamentals about a company. A buying recommendation was made on this data alone. Meanwhile the technical position of the stock was disregarded completely. Technical information must be studied along with the fundamentals.

Fortunately there are many firms that are able to make a complete study of all the facts, both technical and fundamental. However in far too many instances, the fundamental reports are prepared by some young statistician who has been studying securities on paper for a few years. He spends a day or two talking with the management of some company and he comes back to his desk filled with data that he is not prepared by experience or training to disseminate to the investing public. He nevertheless prepares a three or four page buying recommendation and his firm proudly offers it to the public. Six months later (much to the chagrin) of the analyst and his firm the stock declines, earnings are off, and some more clients are hit where it hurts—in their pocketbook.

When any broker, salesman, or analyst goes out on a limb and recommends the purchase of a speculative common stock this is a serious matter. There are enough normal hazards in making such selections without entrusting this very difficult task to other than an experienced financial analyst and consultant. Such a man should have many years of varied experience in the securities markets. He should know technicalities, market trends, industry trends, etc. He should be a specialist in his knowledge of the industry in which the company is operating that he investigates. Proper analysis should include the consultation of the analyst with several other experienced experts and unless strong evidence can be marshalled that a stock is attractive — price wise, market wise, and fundamentally, it should not be recommended.

Cashiering and Reporting

Then there is the ever increasing negligence and incompetance of the cashiering and bookkeeping departments. I.B.M. machines are not the answer to accurate statements, correct confirmations, and exact accounting. This requires people who know their job and who are well paid for it. There is more salary paid to brass hats, non-productive partners, and stuffed shirts in the executive departments than is good for the business. If a larger appropriation was allotted to the cashiering, trading, and stenographic divisions, salesmen would lose less customers, and would be able to spend more time servicing accounts rather than apologising for the mistakes made by the clerical and accounting departments.

There is no use railing against government controls, rules, regulations and such if, at the same time, the inside of an investment firm are run as a bureaucracy of ineptitude and nepotism. (And this also applies, incidentally, to other segments of the nation's business community.) Possibly in the next year or so, if volume declines and fat underwriting commissions are not so plentiful, there will be some houseclearing of waste and inefficiency which is long overdue.

Chiles-Schutz Adds

(Special to THE FINANCIAL CHRONICLE)

OMAHA, Neb.—George M. Brown has been added to the staff of Chiles-Schutz Company, Fram Credit Building.

A Dangerous Inflationary Potential Still Exists

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the influence of credit policy is indirect or remote.

Credit Control's Limitation

Such market factors as the degree of idle industrial capacity, the growth and composition of the labor force, as well as the course of technological progress and the intensity of competition all are significant for the behavior of prices, as are social and political trends that may give rise to wage demands and other cost increases independently of market considerations. The trend of unit labor strategic factor in shaping the trend of prices at least of manufactured goods. A close correspondence between unit labor costs and industrial prices can be traced back to the start of the century. Since the end of World War II, wage rates have been climbing faster than productivity, unit labor costs have been rising, and the prices of manufactured goods have tended upward. The Federal Reserve has not been able to forestall a persistent upward trend in the general price level, but this inflationary bias appears attributable to forces in the economy over which the credit authorities have little or no control.

Bank Credit and the Money Supply — The Federal Reserve, through its control over the volume of bank reserves, regulates the total amount of credit made available to the economy by the commercial banking system. Consequently, one measure of the effects of credit policy is the growth in bank credit—the total of loans and investments of commercial banks. This total has expanded in every year since the accord of 1951.

Consistent with the philosophy of flexible credit policy, the rate of increase in bank credit has been held down in periods of active business and has been accelerated in periods of business ease. In the recession years 1954 and 1958, the growth in the total loans and investments of the commercial banks amounted to some $10 billion and $15 billion, or 7 and 9%, respectively. However, even in years of credit restraint, such as 1957 and 1959, total bank credit outstanding increased by some $5 billion, or by about 3%, in each year. This belies the contention that Federal Reserve policy has starved the economy for credit; rather, it raises the question whether the credit authorities have not on the whole leaned more toward expansion and ease than is consistent with countercyclical policy.

Over the period since 1951, the expansion of bank credit has about kept pace with the rise in the current dollar value of the gross national output, fluctuating between a low of 37.3% of gross national product in 1957, a year of generally high business activity, and a peak of 40.5% in the recession year 1958, as shown in the accompanying table. Moreover, the growth in bank loans has consistently outpaced the rise in output; loans advanced from 16.7% of gross national product in mid-1951 to 22.7% in mid-1960.

The active money supply, i. e., demand deposits adjusted plus currency outside banks, has grown more slowly than total bank credit and hence more slowly also than the gross national product in the postwar era. Critics of credit policy have seized upon this development as proof that the Federal Reserve has not been sufficiently mindful of the credit requirements of the economy. However, restraint on the expansion of the active money supply was certainly indicated in order to eliminate the condition of hyperliquidity with which the economy emerged from the war, when the active money supply comprised over 50% of the gross national product; since then, as shown in the preceding table, it has returned to the 27% level representative of the 1920's, prior to the gigantic increase in liquidity that began in the Great Depression. Moreover, the slower growth of the active money supply in recent years has been not only mitigated but more than offset by two other developments, namely the considerable increase in the velocity of money and the rapid expansion of money substitutes in the form of liquid assets.

Rising Velocity — The velocity, or turnover rate, of the active money supply may be measured by the ratio of the gross national product to the money supply. By this definition, the rate of turnover declined from an average of 3.75 times in the 1920's to a low of 1.99 times in 1946 as the stagnation of the Depression and the subsequent financing of the war made the money supply more abundant relative to the volume of output. Since then, the rate of turnover has been rising rather

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Bank Loans, Bank Credit and Active Money Supply As Per Cent of Gross National Product*

	Bank Loans	†Bank Credit	‡Active Money Supply
1920's			
Low	30.6	39.5	25.1
High	37.1	49.1	29.6
Average	32.9	45.2	26.7
1939	18.0	43.2	36.7
1946	12.9	56.7	50.3
1951	16.7	38.3	34.9
1955	18.9	39.1	32.9
1956	20.7	38.2	31.7
1957	21.0	37.3	30.1
1958	21.5	40.5	30.2
1959	21.7	38.6	28.8
1960	22.7	37.4	27.0

*Figures for all commercial banks on or about June 30 rated to gross national product for the year.
†Loans and investments.
‡Demand deposits adjusted and currency outside banks.

Over-The-Counter Supermarket For Largest Choice of Securities

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	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Northern Life Insurance Co. — Life, accident and health	48	1.90	140	1.4
Northern Ohio Telephone Co. — Operating public utility	33	2.00	56	3.5
Northern Trust Co. (Chicago)	65	12.00	570	2.1
Northwest Engineering Co., Class A — Excavating machinery	24	2.35	33½	7.0
Northwestern National Insurance Co. (Milwaukee) — Multiple-line insurance	87	3.20	95	3.5
Northwestern National Life Insurance Co. (Minn.) — Life insurance	24	1.80	86½	2.1
Northwestern Public Service — Electric and gas public utility	13	1.10	21⅜	5.1
Northwestern States Portland Cement Co. — Mfr. and sale of Portland cement	29	1.50	65	2.3
Noxzema Chemical Co., Cl. B — Distributes "Noxzema" shaving cream and medicated cream	37	1.00	28	3.6
Noyes (Charles F.) Co. — Real estate	20	6.00	62	9.7
Ohio Casualty Insurance Co. — Diversified insurance	38	0.64	25	2.6
Ohio Citizens Trust Co. (Toledo)	25	1.90	55	3.5
Ohio Crankshaft Co. — Besides Crankshafts, company manufactures equipment for Diesel and heavy duty engines, and electrical high frequency induction facilities for metal heating purposes	20	2.25	28½	7.9
Ohio Forge & Machine Corp. — Gears, speed reducers, etc.	24	1.50	37	4.1
Ohio Leather Co. — Tannery	29	1.10	17	6.5
Ohio State Life Insur. Co. — Life, accident and health	*36	†0.40	45	0.9
Ohio Water Service — Retails treated water; wholesales untreated	24	†1.49	28½	5.2
Oilgear Co. — Hydraulic machinery	*18	2.40	39½	6.1
Old Ben Coal Corp. — Marked coal	13	0.60	15¼	3.9
Old Kent Bank and Trust Co. (Grand Rapids)	24	1.50	37½	4.0
Old Line Life Insurance Co. of America — Life, accident and health	a48	1.25	62	2.0
Old Republic Life Insurance Company (Chicago) — Life, accident and health	a24	0.80	19½	4.1
Olympia Brewing Co. — Brewing	25	†1.20	36½	3.3
Omaha National Bank	25	†1.93	75	2.6
Oneida, Ltd. — Manufacture sterling, silverplate and stainless tableware	24	1.00	22	4.5
Onondaga Pottery Co. — China tableware	17	1.70	37	4.6
Orange County Telephone Co. — Operating public utility	52	0.80	64	1.3
Orpheum Building Co. — San Francisco office-theatre bldg.	22	0.30	4¾	6.3
Osborn Manufacturing Co. — Manufacturers of industrial brushes and foundry machinery	36	1.55	27	5.7
Oshkosh B'Gosh — Complete line of work clothing and matched sets	25	†0.93	17½	5.3

* Details not complete as to possible longer record.
† Adjusted for stock dividends, splits, etc.
a Including predecessors.

Over-The-CounterSupermarket For Largest Choice of Securities

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Otter Tail Power Co. — Generating and distributing electrical energy	22	1.70	33⅛	5.1
Pacific Car and Foundry Co. — Heavy duty trucks, railway refrigerator cars, heavy manufacturing	17	1.15	44¼	2.6
Pacific Employers Insurance Co. — Multiple line insurance	25	0.98	21½	4.6
Pacific Insurance Co. of New York — Multiple line insurance	55	2.40	57	4.2
Pacific Intermountain Express Co. — Motor freight; Western States	13	0.80	11	7.3
Pacific Lumber Co. — Planning mill products	24	12.00	325	3.7
Pacific National Bank of Seattle	32	1.00	33	3.0
Pacific Power & Light Co. — Public utility (predominantly electric)	13	1.60	38	4.2
Pacific Vegetable Oil Corp. — Foreign trade manufactures vegetable oil and oilseeds	18	†0.65	14¾	4.4
Package Machinery Co. — Automatic wrapping machines and plastic injection molding machines	43	1.00	16¼	6.2

Over-The-Counter Consecutive Cash Dividend Payers From 5 to 10 Years Appear in the Second Table Starting on Page 46.

Packaging Corp. of America	a27	1.00	22½	4.4
Pacolet Manufacturing Co. — Textile manufacturing	20	9.00	149	6.0
Panama Coca-Cola Bottling — Beverage bottling	*31	0.50	10	5.0
Paragon Electric Co. Class A — Automatic time controls	11	h†0.35	17	2.1
Park Drop Forge Co. — Manufactures die-forged crankshafts & large drop die forgings	50	1.50	27½	5.5
Parker-Hannifin Corp. — Manufacturer of hydraulic and fluid system components	10	0.72	26½	2.7
Paterson Parchm't Paper Co. — Vegetable parchment, waxed and custom made papers	69	†0.53	14⅝	3.6
Pearl Brewing Co. — Beer producers	21	1.30	20	6.5
Peden Iron & Steel Co. — Hardware	23	1.50	25¼	5.9
Peerless Insurance Co. — Diversified insurance	46	1.00	22¾	4.4
Pemco Corp — Porcelain, enamel and ceramic frits and colors	*16	2.50	32½	7.7
Pendleton Tool Industries, Inc. — Mechanics hand tools	21	1.00	19	5.3
Penn Controls, Inc. — Manufactures automatic electric controls	11	1.20	23¼	5.2

* Details not complete as to possible longer record.
† Adjusted for stock dividends, splits, etc.
a Including predecessors.
h Plus one share of class B common, for each share held.

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steadily until at present it is almost identical with the average level of the 1920's.

A measure of the rate at which bank deposits alone are being used is the ratio of bank debits on demand deposits (other than interbank and United States Government deposits) to the outstanding volume of such deposits. Here too, the record shows an almost steady rise. The statistics from 337 reporting centers—excluding New York and six other leading financial communities, where turnover is heavily boosted by security transactions — show that the annual rate of turnover has advanced from about 14 times in 1946 to nearly 27 times at present.

To a large extent, this uptrend in money velocity represents a response to the working off of excessive liquidity and the influence of credit policy upon the money supply. In addition, however, the more efficient use of cash balances as the result of improved financial controls may be causing a secular rise in the turnover rate. If so, this suggests that the money supply today is more abundant, compared to the dollar volume of transactions than it was in the 1920's.

Rise Near Money Assets

Money Substitutes — Liquid assets other than demand deposits and currency are usually excluded from the definition of money, but they may nonetheless add to the inflationary potential. Liquid assets, taken to include not only the active money supply but also time and savings deposits and savings and loan association shares, have risen faster than the dollar volume of output in the economy. From 1951 to 1959, they increased from an average of 57.5% of the gross national product to 60.4%. And if the amount of outstanding Treasury obligations up to one-year maturity held outside the banking system is also included in measuring liquid assets, the ratio shows a further substantial advance from 63½% in 1951 to 69½% in 1959, as shown in the accompanying table.

There is no question but that some of the growth of recent years in these near-money assets has been at the expense of demand deposits. Business corporations, for example, and state and local government authorities have been encouraged by higher returns and the more efficient use of working balances, to increase their holdings of short-term Treasury securities and of time deposits with commercial banks; in some instances they have lodged funds also with savings institutions. Thus, the rapid expansion of near-money assets has occurred at least in part through transfers out of or in substitution for demand deposits, and this has helped hold down the growth of the active money supply.

At the same time, however, it is extremely doubtful that this shift away from the active money supply has significantly curtailed spending. The capital expansion programs or inventory policies of business firms, for instance, are probably not affected by the character of the liquid assets held in excess of working balances, and the same probably holds true in principle for the spending plans of individuals. On the contrary, the rapid growth of these money substitutes has put their holders in possession of assets which are readily convertible into bank balances of currency. Thus, while credit policy has effectively restrained the growth of the active money supply, it has not prevented an increase in the aggregate liquidity of the economy.

Some Obstacles Ahead — Looking down the longer road, the limitations of credit policy in curbing inflationary pressures cannot be ignored. The overabundance of the active money supply inherited from World War II has since been eliminated, and this might argue in favor of greater efficacy for credit policy in the future. However, it will probably not prove feasible to maintain the same degree of restraint on the growth of the money supply as has been achieved in recent years. Also, the continuing rise in the velocity of money and the prospects for further growth in liquidity by

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Active Money Supply and Liquid Assets As Per Cent of Gross National Product*

	†Active Money Supply	‡Liquid Assets I	¶Liquid Assets II
1951	35.6	57.5	63.5
1952	35.5	58.1	64.6
1953	34.5	58.2	66.3
1954	35.2	61.6	69.4
1955	33.3	59.6	67.0
1956	31.9	59.0	67.0
1957	30.4	58.4	67.1
1958	30.6	61.9	70.0
1959	29.1	60.4	69.5

*Money supply and liquid assets are annual averages of month-end data.
†Demand deposits adjusted and currency outside banks.
‡Active money supply plus time deposits of commercial and mutual savings banks and shares of savings and loans associations.
¶Liquid assets I plus Treasury securities maturing within one year held outside the commercial and Federal Reserve banks.

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way of near-money assets could well hamper the effective exercise of credit policy in any future period of broad and vigorous economic expansion.

Federal Reserve's Future Independence

In addition, there is a grave risk to credit policy from political pressures which are seeking to curtail the independence of the Federal Reserve or to limit the flexibility of credit policy. Critics of the Federal Reserve claim that credit policy cannot control inflationary trends resulting from wage demands and business pricing policies; they contend that by limiting output, credit restraint denies the attainment of economies associated with the fuller use of productive capacity and thus actually fosters inflation. Also, it is charged that higher interest rates are inflationary because they enter into costs and prices. In addition, restrictions on the money supply and increases in interest rates are said to inhibit economic growth.

Arguments of this nature are generally accompanied by proposals for more rapid expansion of the money supply and for lower interest rates. This would obviously add to the inflationary potential in the economy. The advocates of such policies reason that the more liberal provision of credit would lead to more rapid economic growth; they ignore the experience that excessive credit expansion ultimately is followed by sharp economic contraction.

Even if these restraints upon the Federal Reserve do not materialize, credit policy is nonetheless likely to remain impeded by the lack of support from fiscal policy and Treasury debt management. An excerpt from page 18 of the latest Annual Report of the Bank for International Settlements (1960) succinctly describes the coordination of policies required to achieve price stability:

". . . In present-day circumstances restraint in wage claims, keeping them within the compass of the rise in average productivity, and restraint in price policy by business, which would be best guaranteed by a greater degree of domestic and foreign competition, are among the most important conditions of the maintenance of a stable price level. This being so, it would be naive to expect the monetary authorities alone to achieve price stability, with the instruments at their disposal. Budgetary and monetary policy, wage policy and the price policy of enterprises have to move in harmony if inflationary tendencies are to be kept in check. . . ."

The Federal Budget

Fiscal policy thus holds a crucial position in that it may either implement or detract from the efficacy of credit policy. To be consistent with a flexible, countercyclical credit policy, public spending and taxation should be so designed as to stimulate recovery when business activity is receding; under such conditions a deficit may help increase liquidity and bolster demands. When the economy is moving upward, however, government spending should be curbed or curtailed, or tax revenues increased, in order that a budget surplus may help restrain demands and put pressure on liquidity in the private sectors of the economy. This presumes that over the course of a business cycle a substantially balanced budget is achieved.

The record shows, however, that the Federal budget in the postwar era has failed to operate in a countercyclical fashion. The Federal budget has tended to show relatively small deficits during the recessions but large deficits in recovery years. As a consequence, the Treasury is usually compelled to enter the market with large borrowings at the very time that the Federal Reserve is endeavoring to keep credit expansion under control. In addition, in years of high business activity only small surpluses have been achieved. Finally — and this is perhaps the most disconcerting feature—the trend was worsened in recent years; deficits have tended to increase and surpluses to dwindle, and there is little evidence to suggest that this trend has reached an end.

Receipts vs. Expenditures — Government spending was cut back sharply after World War II from nearly $100 billion to a postwar low of $33 billion in fiscal 1948. Since then, however, outlays have expanded substantially, partly because of the Korean War and enlarged defense requirements, but more recently because of more, and more expensive, nondefense programs. Federal spending is expected to reach or exceed $81½ billion in fiscal 1961 and further increases are a foregone conclusion.

Defense outlays (i. e., major national security expenditures) have risen on the average by nearly $1 billion a year since 1955 and now account for around $46 billion a year. Looking ahead, there is a very real prospect that the restraint exercised on the defense budget in recent years may be superseded by an acceleration of spending, based on the tense international situation, popular misgivings concerning the adequacy of our defense establishment, and the higher security outlays postulated in the platforms of both major political parties. Hence, it does not seem unreasonable to expect defense spending to rise by $2-3 billion annually, on the average, in the years ahead.

Forces Generating Chronic Deficits

However, nondefense outlays have increased much faster than national security expenditures since 1955, skyrocketing from $24 billion in fiscal 1955 to an estimated $35½ billion in the current fiscal year. The increases have been broadly based, but have been especially pronounced in labor and welfare, commerce and housing, agriculture, and, of course, interest on the national debt. Furthermore, pressures for additional increases in nondefense spending continue unabated, par-

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	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Pennsylvania Engin'g Corp. — Steel mills; oil refineries; chemical plants	13	1.05	17½	6.0
Pennsylvania Gas Co. — Operating public utility in Pennsylvania and New York	75	1.20	24	5.0
Penobscot Chemical Fibre Co. Non-Voting — Mfr. bleached soda and sulphite woodpulp	13	†0.51	17¾	2.9
Penton Publishing Co. — Business and technical journals	11	1.25	22	5.7
Peoples National Bank of Washington (Seattle)	32	1.50	77	1.9
Peoples Telephone Corp. (Pa.) — Telephone utilities	34	4.00	78	5.1
Pepsi-Cola General Bottlers, Inc. — Soft drinks	13	†0.59	12	4.9
Perfex Corp. — Manufacturer of heat transfer products	11	†0.95	18	5.3
Perkins Machine & Gear Co. — Precision gears	19	0.55	8	6.9
Permanente Cement Co. — Cement and gypsum products manufacturer	14	0.70	20⅛	3.5
Personal Industrial Bankers, Inc. — Consumer finance	20	0.12	2½	4.8
Peter Paul Inc. — Popular candies	38	2.00	39¾	5.0
Petrolane Gas Service, Inc. — Liquefied petroleum gas	24	1.00	56	1.8
Petroleum Exploration — Producing crude petroleum and natural gas	43	3.25	58	5.6
Petrolite Corp. — Chemical compounds	29	5.50	152	3.6
Pettibone Mulliken — Railroad track equipment, forging and machinery	18	1.00	27¾	3.6
Pfaudler-Permutit Co. — Water conditioning and corrosion resistant equipment	a23	1.40	42½	3.3
Philadelphia Bourse — Exhibition and office building	24	1.50	50	3.0
Philadelphia National Bank	116	2.05	42⅛	4.9
Philadelphia Suburban Transportation Co. — Transportation of persons by street railway and motor bus	20	0.80	17½	4.6
Philadelphia Suburban Water — Operating public utility	*20	†1.58	61	2.6
Phoenix Insur. (Hartford) — Insurance carrier (except life)	87	3.00	77	3.9
Pickering Lumber Corp. — California, Louisiana and Texas holdings	12	0.40	9⅞	4.1
Pictorial Paper Package Corp. — Paper boxes	24	0.60	11¾	5.1
Piedmont & Northern Ry. — Rail transportation	31	7.00	116½	6.0
Pioneer Finance Co. — Financing company	22	0.50	14¾	3.4
Pioneer Trust & Savings Bank (Chicago)	36	2.00	85	2.4
Pittsburgh National Bank	a93	p2.80	71½	3.9
Plainfield-Union Water Co. — Water utility	65	†1.00	19½	5.1

* Details not complete as to possible longer record.
† Adjusted for stock dividends, splits, etc.
a Including predecessors.
p Annual dividend indicated before two-for-one split effective July 7, 1960.

Over-The-Counter Supermarket For Largest Choice of Securities

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Plymouth Cordage Co. Manufacture of rope, harvest twines twisted paper products, tacks, eyelets, extruded plastics, plastic reinforced materials, fertilizers, pesticides	102	2.75	53½	5.1
Pope & Talbot, Inc. Intercoastal steamship service and West Coast lumber mills	20	1.25	31½	4.0
Port Huron Sulphite & Paper Lightweight papers	21	†0.96	44½	2.2
Porter (H. K.) Co. Inc. (Del.) Manufactures electrical equipment, industrial rubber products, steel and tool steel, copper and alloy metals, refractories, saws and tools, fittings, wire rope and related products	16	†1.59	53	3.0
Porter (H. K.), Inc. (Mass.) Mechanics' hand tools, bolt cutters, body and fender repair tools & equipment and hydraulic power tools	*22	0.60	12½	4.8
Portland Gas Light Co. Public utility (mfrs. gas)	17	†0.23	17½	1.3
Portland General Electric Electric utility	14	1.20	31	3.9
Potash Co. of America Mining & refining, sale of potash	23	†0.22	21¾	1.0
Pratt, Read & Co. Piano and organ keyboards, piano actions, piano hardware, small tools, aircraft woodwork	15	†1.17	25	4.7
Princeton Water Co. Operating public utility	52	4.00	80	5.0
Produce Terminal Cold Storage Co. (Chicago) Public cold storage warehouse	12	1.00	14¼	7.0
Progress Laundry Co. Laundry and dry cleaning	25	1.40	14⅞	9.4
Providence Washington Ins. Multiple line insurance	54	0.75	20¾	3.6
Provident Bank (Cinc.)	57	†1.84	44	4.2
Provident Tradesmens Bank & Trust Co. (Phila.)	95	2.85	55¾	5.1
Public Service Co. of N. H. Electric public utility	23	1.02	19	5.4
Public Service Co. (N. Mex.) Public utility	14	0.95	37	2.6
Publication Corp. vot. Owns rotogravure printing plants	24	3.00	44	6.8
Purex Corp. Manufacturer of household cleaners and detergents	24	†0.69	31¾	2.2
Purity Stores, Ltd. California food chain	*12	0.40	13¼	3.0
Purolator Products, Inc. Filters oil, gas and air	19	†1.37	35¼	3.9
Quaker City Cold Storage Co. v. t. c. Cold storage facilities	10	0.20	11	1.8
Quaker City Insurance Co. Diversified insurance	11	0.60	10	6.0
Quaker City Life Insurance Co. (Pa.) Life, accident & health	*14	†0.71	50¾	1.4
Queen Anne Candy Co. Packaged, bar and bulk candy	11	0.10	3½	2.9
Quincy Market Cold Storage Boston operation	18	2.50	42	6.0
Ralston Purina Animal feeds, breakfast foods	26	1.20	42	2.9
Red Owl Stores Inc. Retail & wholesale grocery chain	27	1.60	46	3.5
Reece Corp. (Mass.) Makes button hole machines	78	1.40	25½	5.5
Reed (C. A.) Co., class B Crepe paper	14	1.50	20	7.5
Reinsurance Corp. of N. Y. Writes only reinsurance	23	0.60	22¼	2.7

* Details not complete as to possible longer record.
† Adjusted for stock dividends, splits, etc.

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ticularly for agriculture, housing, education and medical care.

Thus, no relief is in sight from the rising trend of government expenditures. Assuming no change in the international situation, it seems almost certain that total government outlays, which have been mounting by nearly $3 billion a year on the average since the mid-1950's, will advance at a faster clip from here on in.

Against this prospect for rising government expenditures there are forces at work which are likely to retard the growth of Treasury receipts. Tax revenues are highly vulnerable to even modest declines in aggregate business activity, mainly because corporate profits tend to fall off steeply when business sags. At the same time, corporate profits, and hence corporate income taxes, have failed to keep pace with the growth of the economy, and this is true also of excise tax collections. In addition, of course, there is not only the obvious reluctance to raise tax rates when required, but continuing pressure to reduce taxes and to incorporate special relief provisions in the tax laws.

A Chronic Deficit — All this, together with the country's reluctance to shoulder larger tax burdens, augurs for continuing difficulties in achieving a cyclically balanced budget. For many years, as the following table shows, the tendency has been for surpluses—both on a budget and cash basis—to become progressively smaller and for deficits to become progressively larger. The most realistic assumption is that, even without a major deterioration in the international arena, the gap between receipts and expenditures will continue to widen in the years ahead.

Assuredly, the impact of Treasury deficits may be cushioned if certain other categories of debt, notably debts of individuals, fail to continue their rapid increases of recent years. Recent trends of home mortgage and consumer debt suggest that individuals may add to their outstanding indebtedness at a slower pace in the coming years. However, public policy is still dedicated to facilitating borrowings by individuals, small businessmen and other groups through government insurance and guarantee programs, and borrowing terms under these programs may be made even more liberal in the future.

Fiscal Policy and Prices — The relationship between fiscal results and commodity prices is not always direct and immediate, but it is generally agreed that such a relationship exists. For example, the inflationary implications of a massive excess of outlays over receipts, as in a war, are fairly obvious. Also, large increases in government expenditures, even if matched by increased taxes, have a bearing on prices, at least in those sectors where the expenditures are made. Usually, however, the relationship is affected by a great many variables, such as the stage of the business cycle, the utilization of productive capacity, the degree of foreign competition and other market conditions, as well as developments in other financial sectors. Thus, considerable lags may develop between the incurrence of budget deficits and the materialization of upward pressures on prices.

Looking ahead, the consequences of a fairly small deficit —say, on the order of $4-5 billion or less — over the course of a business cycle might not be too unmanageable, but a larger cumulative deficit ($10-15 billion or more) would probably pose major difficulties. Furthermore, in a lethargic economy, characterized by an abundance of goods and capacity, the impact of Treasury deficits might be modest, but once the economy enters an expansive phase, the accumulated inflationary potential could well be translated into a vigorous price rise. These hazards are all the more substantial since chronic deficits will in all probability bring further additions to the liquidity of the economy, especially in view of the continuing difficulties encountered by the Treasury in managing its debt.

Debt Management Policy

The Treasury's policy with regard to the management of its debt is no less important than fiscal policy in its economic effect. The inflationary potential of a Treasury deficit depends in part

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at least upon the way in which it is financed. If the deficit is covered through sales of longer term obligations to individuals or savings institutions, the increased government outlays would presumably be about offset by reduced expenditures elsewhere. Financing through the commercial banking system, however, imposes no restraint on private outlays. Also, if business corporations and other short-term investors place idle balances in Treasury securities instead of in bank deposits, spending is not curtailed from what it might otherwise have been.

In addition, the Treasury's specific practices in offering, exchanging or retiring securities may independently influence the credit environment and the efficacy of credit policy. In essence, a debt management policy designed to implement flexible, countercyclical credit policy requires strong efforts to sell long-term Treasury obligations for new money in periods of active and rising business in order to absorb savings and curb the excessive expansion of private investment. In periods of economic slack, financing and refinancing activities should be concentrated on short-term issues in order to enhance liquidity and avoid competing with the private sector for long-term funds.

Growing Short-Term Debt — Unfortunately, as in the case of fiscal policy, the record of debt management since World War II is not encouraging; debt management policies have impeded and complicated the administration of credit policy and have on balance added to the inflationary potential arising out of fiscal operations. The Treasury has relied heavily upon the issuance of short-term securities which are readily convertible into cash through sale or redemption and are not subject to effective control through credit policy. Also, this practice has greatly increased the frequency and amount of the Treasury's financing operations, thereby further reducing the freedom of the Federal Reserve in carrying out credit policy.

Unworkable Countercyclical Credit Policy

Although the Treasury has endeavored to lengthen the maturity of the marketable debt in recent years, the average length of the marketable debt declined from six years seven months in mid-1951 to a low of four years two months in January 1960, and despite the Treasury's advance refunding operations, the improvement since then has been slight. Moreover, the maturity distribution of the marketable debt has deteriorated to a point where, of a total of some $186 billion of marketable obligations outstanding at the end of August 1960, about $72½ billion, or 39%, will mature within 12 months, and 77% will mature within five years.

Furthermore, the Treasury's efforts to lengthen the maturity of the marketable debt have been more aggressive and more successful in periods of business slack and in the early recovery phases than when the economy was operating at a high rate. The results, instead of complementing countercyclical credit policy, have thus in effect run counter to its aims and placed additional obstacles in its path.

The Market for Treasury Bonds — Underlying this progressive shortening in the marketable debt is a conspicuous lack of investor demand for Treasury long-term bonds. Competing demands for investment funds by corporate borrowers, state and local government authorities, and homeowners—all at more attractive yields—have led to a gradual contraction in the market for long-term Treasury securities.

Institutional investors, such as insurance companies, mutual savings banks and some corporate pension funds, have been lightening their holdings of government bonds in favor of other investment outlets, while the commercial banks, which had emerged from World War II with large portfolios of long-term governments, have likewise reduced their holdings in an effort to achieve a maturity distribution more appropriate to commercial banking

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TREASURY SURPLUS (+) OR DEFICIT (—)
Classification of Fiscal Year Results Since 1949, Excluding the Korean War Years
(In Billions of Dollars)

	Budget Basis	Cash Basis
Recession years		
1949	— 1.8	+ 1.0
1954	— 3.1	— .2
1958	— 2.8	— 1.5
Annual average	— 2.6	— .2
Recovery years		
1950	— 3.1	— 2.2
1955	— 4.2	— 2.7
1959	—12.4	—13.1
Annual average	— 6.6	— 6.0
Years of good business		
1947	+ .8	+ 6.7
1948	+ 8.4	+ 9.0
1956	+ 1.6	+ 4.5
1957	+ 1.6	+ 2.1
1960	+ 1.1	+ .7
Annual average	+ 2.7	+ 4.6

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	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Reliance Varnish Co. Paints, varnishes and enamels	16	1.00	23	4.3
Republic Insurance (Dallas) Fire and casualty insurance	54	†1.52	57	2.7
Republic National Bank of Dallas	40	†1.48	68½	2.2
Republic National Life Insurance Co. (Dallas)	14	0.10	37	0.3
Republic Natural Gas Producers of crude oil and natural gas	24	0.80	23¾	3.4
REPUBLIC SUPPLY CO. OF CALIFORNIA West Coast distributor of metals, tubing, water works materials, oil field equipment and industrial supplies ● See Company's advertisement on page 36.	38	c1.00	18¾	5.3
Revere Racing Assn. Dog racing, near Boston	18	0.45	7⅜	6.1
Rhode Island Hospital Trust	91	4.50	106	4.2
Richardson Co. Manufacturers of rubber and plastic industrial products	28	1.10	18½	5.9
Rich's, Inc. Operates Atlanta department store	31	0.85	23¼	3.7
Riegel Textile Corp. Wide line textile products	22	0.85	18½	4.6
Rieke Metal Products Corp. Closures for steel drums and pails	27	1.25	22½	5.6
Riley Stoker Corp. Power steam generators	21	†1.58	37¼	4.2
Risdon Manufacturing Co. Small metal stampings	43	4.00	68	5.9
River Brand Rice Mills, Inc. Leading rice miller and packager	a27	1.20	20¼	5.9
Roanoke Gas Co. Distributes natural gas	16	0.90	18½	4.9
Robbins & Myers, Inc. Manufacturing motors, fans, hoists & cranes, and pumps	10	2.90	57½	5.0
Robertson (H. H.) Co. Manufacturers of construction materials	24	†2.35	57½	4.1
Rochester Button Co. Buttons	23	†0.96	16¼	5.9
Rochester Transit Corp. Rochester, N. Y., bus lines	10	0.40	7¼	5.5
Rock of Ages Corp. Granite quarrying and mfg. of granite cemetery monuments, markers, building and construction granite	20	1.00	18	5.6
Rockland-Atlas Natl. Bank of Boston	96	1.95	43¾	4.5
Rockwell Manufacturing Co. Meters, valves and regulators, and power tools	21	†1.54	33	4.7
Roddis Plywood Corp. Manufacture and distribution of plywood doors and lumber	16	†0.39	18⅛	2.2
Rose's 5, 10 & 25c Stores, Inc. Operates 145 stores in the South	33	1.30	31	4.2
Ross Gear & Tool Co. Inc. Manufacturers of steering gears	32	†0.95	25	3.8
Rothmoor Corp. Women's coats and suits	12	0.40	4½	8.9
Royal Dutch Petroleum Co. Affiliated with producers of many nations	15	†2.16	62⅝	3.4
Royalties Management Corp. Oil and gas royalty interests	18	0.25	5¼	4.8
Sabine Royalty Corp. Oil & gas royalties	15	2.00	40	5.0
Safway Steel Products, Inc. Manufactures steel scaffolding, grand stands and bleachers	24	†0.98	16½	5.9
Sagamore Mfg. Co. Sateens, broadcloths, twills	24	†0.60	10⅝	5.6
St. Croix Paper Co. Paper manufacturers	40	1.25	27	4.6
St. Joseph Stock Yards Co. Livestock	61	4.50	60	7.5

† Adjusted for stock dividends, splits, etc.
a Including predecessors.
c Annual dividend rate indicated.

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	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
St. Paul Fire & Marine Insur. — Fire and casualty insurance	88	1.30	56¾	2.3
St. Paul Union Stockyards — Minnesota operator	44	0.75	20	3.8
San Jose Water Works — Public utility (water company)	29	1.30	37	3.5
San Miguel Brewery, Inc. (Philippines) — Beer and dairy products	*12	1.35	11	12.3
Sanborn Map Co. — Fire insurance & real estate maps	83	e2.55	66	3.9
Sargent & Co. — Hardware, locks and tools	17	1.15	27	4.3
Savannah Sugar Refining — Georgia operator	36	1.50	31	4.8
Schenectady Trust Co. (N.Y.)	58	2.25	62	3.6
Schlage Lock Co. — Locks and builders' hardware	20	†0.98	53½	1.8
Schuster (Ed.) & Co. Inc. — Three Milwaukee dept. stores	*18	1.00	17¼	5.8
Scott & Fetzer Co. — Vacuum cleaner manufacturer	18	2.20	54	4.1
Scott & Williams, Inc. — Builds knitting machinery	44	2.25	41	5.5
Scruggs-Vandervoort-Barney — Department stores; St. Louis, Kansas City, Denver	20	0.60	12¾	4.7
Seaboard Surety Co. — Diversified insurance	25	1.30	35	3.7
Searle (G. D.) & Co. — Pharmaceuticals	25	1.20	68	1.8
Sears Bank & Trust Co. (Chicago)	20	2.80	83	3.4
Second Bank-State Street Trust Co. — Name changed to State Street Bank & Trust Co. in April 1960				
Second National Bank of Saginaw	79	2.50	77	3.2
Securities Acceptance Corp. — Instalment financing and personal loans	26	†0.39	9⅜	4.2
Security First National Bank (Los Angeles)	79	†1.56	60	2.6
Security Insurance Co. of New Haven	66	†0.84	52½	1.6
Security Title Insurance Co. — Title insurance	12	†0.48	14¼	3.4
Security Trust Co. of Rochester	67	2.30	58	4.0
Seismograph Service Corp. — Geophysical exploration oilwell wire-line services and mfg. of electronics products	26	0.50	23⅝	2.1
Selected Risks Insurance Co. — Diversified insurance	31	1.20	36¼	3.3
Seven-Up Bottling Co. (St. Louis) — Bottler of carbonated beverages	32	0.60	10½	5.7
Shakespeare Co. — Fishing reels, rods and lines	22	1.65	31½	5.2
Shaler Co. — Vulcanizers	24	1.30	15½	8.4
Shepard Niles Crane & Hoist — Electric cranes and hoists	25	1.50	26	5.8
Sherer-Gillett Co. — Manufacturer commercial refrigeration	14	0.20	2¼	8.9
Sick's Rainier Brewing Co. — "Rainier" and "Brew 66" beer	23	0.24	4	6.0
Sierra Pacific Power Co. — Operating public utility	34	1.50	44½	3.4
Sioux City Stock Yards — Iowa livestock market	56	2.00	31½	6.3
Sivyer Steel Casting Co. — Castings	24	1.50	27	5.6

* Details not complete as to possible longer record.
† Adjusted for stock dividends, splits, etc.
e Indicated dividend rate.

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operations. Also, such previously fairly steady buyers of long-term Treasury obligations as the retirement funds of state and local governments and the investment accounts of the Federal Government are likely to slacken their purchases in the future — the former because of their growing interest in other and more attractive investment media, the latter as a result of the persistent pressures for greater liberalization of the social security program.

In addition to the gradually dwindling interest in Treasury bonds on the part of major investor groups, the Treasury itself has at times demonstrated some reluctance to take energetic steps toward selling new longer term securities, presumably because of the risk of adverse effects upon the bond and mortgage markets and of possible repercussions upon the volume of private investment. For a time, the 4¼% interest rate ceiling on new issues of government bonds also acted as a restraint upon the extension of debt maturities.

An Inflationary Bias—There is little ground for hoping that management of the Treasury debt may become less difficult in the future. To be sure, as in the past, periods of slack business will presumably continue to create a basically more favorable climate for the placement of long-term obligations, but an aggressive exploitation of these opportunities will remain essentially inconsistent with a countercyclical policy of credit and debt management which in such an environment should place major emphasis on the use of short-term securities in order to promote liquidity.

Shorter Terms Demanded

Furthermore, the Treasury has become increasingly dependent upon investors such as business corporations, foreign holders and others, who are not steady buyers of government securities but buy and sell in response to changes in interest rates, fluctuations in profits, alternative investment opportunities, and the like. For the most part, these investors are interested in governments of relatively short maturity, and it is this type of security, consequently, through which much of any future Treasury deficit is likely to be financed.

Reducing the inflationary potential inherent in this situation would require the Treasury to compete more vigorously for new long-term money. This means placing coupon rates on new bond issues sufficient to attract long-term investors—which might well require removing the 4¼% interest rate ceiling—and a greater readiness to accept the consequences of Treasury competition in the bond and mortgage markets. In other words, achievement of a more balanced maturity distribution would require diverting more of the current savings flow into government securities and reducing the amounts moving into other investment outlets. The success of the "Magic Fives" in 1959 proves that investors can be attracted to government securities if rates are made sufficiently competitive.

So far, however, there is little evidence that the Treasury is ready and willing to face the risks, including the political risks, of aggressively selling long-term bonds for new money. There is therefore not much likelihood of Federal Reserve policy receiving from either fiscal or debt management policy the kind of support needed for the full development of a countercyclical and anti-inflationary credit policy. On the contrary, it seems more probable that both fiscal and debt management policies will continue to have a basically inflationary bias.

The International Environment

In recent years a new factor has come to bear upon the trend of commodity prices in the United States: foreign competition is now a matter of importance in numerous industries. This emergence of foreign competition in domestic and world markets is symptomatic of certain broad and fundamental changes in the entire international economic position of the United States. As a result, the balance of payments is beginning to impose its discipline upon our pricing policies and our monetary and fiscal policies as well.

Within the past few years, it has become increasingly evident that the countries of Western Europe and, in Asia, Japan, have not only recouped the economic damage inflicted by World War II but have moved forward with great strides to set new records of achievement. Probably no single action was so indicative of the progress attained than the establishment of external currency convertibility by 14 European countries at the close of 1958. Since then, the remaining restrictions upon exchange transactions and upon imports have been further relaxed, the monetary reserves of most of the important European countries have increased, and several formerly soft currencies have strengthened to the point where they are equal in acceptability to the United States dollar.

The rebuilding of foreign gold reserves has come largely at the expense of the United States gold stock, which has declined by about $4 billion since early 1958 to a level below $19 billion in September 1960. This shift of gold holdings is symptomatic of the firming of foreign currencies and the restoration of a more balanced international economy, and has come about without significant detriment to the adequacy of our own monetary reserves: we still hold some 45% of the free world's gold, which is far more than any other country, and, indeed, far more than is generally regarded as a necessary reserve in comparison to a country's short-term liabilities to foreigners. The disturbing feature, however, is that this redistribution of gold has been accelerated in recent years by a serious deterioration in the

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	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Skil Corporation Portable tools	25	†1.56	43½	3.6
Smith-Alsop Paint & Varnish Co. Paints and varnishes	12	1.65	21	7.9
Smith (J. Hungerford Co.) Manufacturer of soda fountain & ice cream fruits and flavors	37	1.50	30	5.0
Smith (T. L.) Co. Concrete mixing equipment	10	0.30	15	2.0
Snap-On Tools Corp. Manufacture and distribution of mechanics' hand service tools and related items	22	1.60	37½	4.3
Sommers Drug Stores Co. Retail drug store chain	10	0.40	12½	3.2
Sonoco Products Co. Paper and paper products	35	†1.05	32	3.3
Sorg Paper Co. Stock lines and specialty papers	11	†0.56	17	3.3
South Atlantic Gas Co. Operating public utility	15	0.80	14¼	5.6
South Carolina National Bk. (Charleston)	24	1.25	32½	3.8
Southdown, Inc. Operates Louisiana sugar plantations and refinery	12	0.70	24	2.9
Southeastern Telephone Co. Telephone service	20	0.95	22½	4.2
Southern Bakeries Co. Southeastern baker	24	†0.60	9½	6.3
Southern California Water Co. Operating public utility	31	0.98	19¾	5.0
Southern Colorado Power Operating electric public utility	16	0.90	18⅞	4.8
Southern Fire & Casualty Co. (Knoxville, Tenn.) Fire and casualty insurance	19	0.08	4¼	1.9
Southern Gas & Water Corp. Wholesale gas, retails water and ice	15	†0.73	21⅝	3.4
Southern N. England Tel. Co. Communications services	69	2.20	44½	4.9
Southern Oxygen Co. Compressed gases	23	0.75	11½	6.5
Southern Union Gas Co. Natural gas production and distribution	17	1.12	22¾	4.9
Southland Life Insurance Co. Life, health and accident insurance	24	1.50	90	1.7
Southwest Natural Gas Co. Southern natural gas supplier	13	0.20	4½	4.4
Southwestern Drug Corp. Wholesale drugs	18	0.76	19¾	3.8
SOUTHWESTERN ELECTRIC SERVICE Electricity supplier ● See Company's advertisement on page 49.	**15**	**0.70**	**17½**	**4.0**
Southwestern Investment Co. Sales, financing and personal loans	24	0.60	13¾	4.4
Southwestern Life Insurance Co. (Dallas) Nonparticipating life	50	†0.74	53½	1.4
SOUTHWESTERN STATES TEL. CO. Operating public utility ● See Company's advertisement on page 33.	**14**	**1.20**	**24**	**5.0**
Spartan Mills Cloths and sheetings	61	0.35	33	1.1
Speer Carbon Co. Carbon, graphite and electronic products	27	0.70	21½	3.3
Spindale Mills, Inc. Yarn-dyed fancy fabrics	15	1.00	17	5.9
Sprague Electric Co. Electronic components	20	†1.19	65	1.8
Springfield F. & M. Ins. Co. Multiple line insurance	93	1.00	33	3.0
Springfield Gas Light Co. Distribution of natural gas	108	2.80	53	5.3
Staley (A. E.) Mfg. Co. Corn, soybean and chemical processor	26	†1.28	26¾	4.8
Stamford Water Co. Operating public utility	64	1.80	34	5.3
Standard Accident Insurance Co. (Detroit) Casualty, bonding and fire and marine insurance	20	2.00	49¾	4.0
Standard-Coosa Thatcher Co. Cotton spinning, dyeing and bleaching	39	0.80	12⅛	6.6
Standard Fire Insurance Co. of New Jersey Diversified insurance	91	3.00	58	5.2
Standard Screw Co. Screws and screw machine products	55	†1.27	19¼	6.6
Stange (Wm. J.) Co. Food colorings and seasonings	24	0.80	18½	4.3
Stanley Home Products, Inc. (Voting) Manufactures and sells brushes, waxes, polishers, and personal toiletries	23	2.25	32½	6.9
Stanley Works Hardware for building trades, etc.	84	†1.12	18⅝	6.0
State Bank of Albany	157	†1.73	63	2.7
State Loan & Finance Corp. Class A Loans and finance business	30	1.00	18⅜	5.4
State National Bank of El Paso	79	c6.00	365	1.8
State Planters Bank of Commerce & Trs. (Richmond, Va.)	*38	†2.47	67	3.7

* Details not complete as to possible longer record.
† Adjusted for stock dividends, splits, etc.
c Annual dividend rate indicated.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
State Street Bank & Trust Co. (Boston)	41	†2.48	59	4.2
Stecher-Traung Lithograph Corp. Labels, packets and boxes	21	1.60	30½	5.2
Stern & Stern Textiles, Inc. Silk, rayon and nylon fabrics	14	0.70	9¾	7.2
Stonecutter Mills Corp., Cl. A Dies and fabrics	18	0.30	6½	4.3
Stouffer Corp. Restaurant chain	24	†0.39	18¼	2.1
Strathmore Paper Co. Manufactures fine printing papers, artists' papers and technical papers	18	1.25	36	3.5
Stratton & Terstegge Co. Wholesale hardware	27	1.50	23	6.5
Strawbridge & Clothier Large Philadelphia department store	13	1.00	18⅜	5.4
Struthers Wells Corp. Fabricated metal products; chemical and refinery equipment	16	†0.24	34	0.7
Stuart (The) Co. Pharmaceutical manufacturer and distributor	12	0.64	46	1.4
Stubnitz Greene Corp. Cushion and back spring assys. polyurethane foams, refrigerator shelves and condensers, thermo-electronic relay	11	†0.49	11	4.5
Stuyvesant Insurance Co. Auto, fire, casualty and marine insurance	12	1.00	30	3.3

Over-The-Counter Consecutive Cash Dividend Payers From 5 to 10 Years Appear in the Second Table Starting on Page 46.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Suburban Propane Gas Corp. Distribution of liquefied petroleum gas and sale of appliances	14	1.00	14⅝	6.8
Super Valu Stores, Inc. Wholesale food distributor	24	0.95	36¼	2.6
Swan Rubber Co. Manufactures hose (rubber and plastic) small tires	25	0.88	26½	3.3
Syracuse Transit Corp. Local bus operator	18	2.00	21	9.5
Tampax, Inc. Miscellaneous cotton products	17	2.60	153	1.7
Tappan (The) Co. Gas ranges	*25	2.00	29	6.9
Taylor-Colquitt Co. Railroad ties and poles	33	1.20	20½	5.9
Taylor & Fenn Co. Grey iron alloy castings	54	0.80	11	7.0
Taylor Instrument Cos. Mfr. of scientific instruments	53	†1.16	83	1.4

* Details not complete as to possible longer record.
† Adjusted for stock dividends, splits, etc.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Tecumseh Products Co. Refrigeration compressors, small engines, etc.	21	†2.50	74	3.4
Tejon Ranch Co. California land holdings	11	†0.98	32	3.1
Telephone Service Co. of Ohio, Class B Holding co.	18	i2.50	31	8.1
Television-Electronics Fund, Inc. Open-end mutual investment co.	12	†0.48	8½	5.6
Tenn., Ala. & Georgia Ry. Co. Railroad common carrier	22	0.50	24	2.1
Tennessee Natural Gas Lines, Inc. Pipe lines	10	0.60	13¼	4.5
Terre Haute Malleable & Manufacturing Corp. Iron castings	24	0.90	10½	8.6
Terry Steam Turbine Co. Turbines and reduction gears	*52	2.00	40	5.0
Texas Eastern Transmission Operates natural gas pipelines	10	1.40	29	4.8
Texas Natl. Bank (Houston)	48	1.325	46½	2.8
Textiles, Inc. Makes cotton yarn	19	†0.89	15¼	5.8
Thalhimer Brothers, Inc. Richmond department store	22	0.60	11½	5.2
Third Natl. Bank in Nashville	31	10.00	475	2.1
Third National Bank & Trust Co. (Dayton, Ohio)	98	1.00	37½	2.7
Third National Bank & Trust Co. of Springfield (Mass.)	96	2.50	47	5.3
Thomaston Mills Wide range of cotton products	*19	1.35	29¼	4.6
Thompson (H. I.) Fiber Glass Fiber glass, fabricators Hi Temp insulation, fiberglass reinforced plastic parts	13	†0.29	30¼	1.0
300 Adams Building, Inc. Chicago office building	25	1.00	40½	2.5
Thrifty Drug Stores California drug store chain	23	0.75	40	1.9
Time Finance Co. (Ky.) Consumer finance—personal loans	25	†0.15	9	1.7
Time, Inc. Publishers of "Life," "Time," "Fortune" & "Sports Illustrated"	31	3.25	62	5.2
Timely Clothes, Inc. Men's suits, coats, etc.	19	0.75	13½	5.6
Tinnerman Products, Inc. "Speed Nuts"	*14	3.00	39	7.7
Title Insurance Company of Minnesota Title Insurance	a52	3.00	58	5.2
Title Insurance & Trust Co. (Los Angeles) Insuring title to real estate	66	1.75	41½	4.2
Tobin Packing Co. Meat packer	18	0.90	20½	4.3
Tokheim Corp. Gasoline pumps	41	1.00	19¼	3.4
Toledo Trust Co.	26	3.00	130	2.3

* Details not complete as to possible longer record.
† Adjusted for stock dividends, splits, etc.
a Including predecessors.
i Plus 3% payable in class A common stock.

Over-The-CounterSupermarket For Largest Choice of Securities

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Toro Manufacturing Corp. Power lawn mowers	14	1.25	29	4.3
Torrington Mfg. Co. Manufactures machinery, blower wheels and fan blades	25	†0.98	21½	4.6
Towle Mfg. Co. Sterling silver tableware	43	2.35	36½	6.4
Towmotor Corp. Fork-lift truck	15	1.40	31	4.5
Transcon Lines Motor freight—common carrier	10	0.98	18½	5.3
Travelers Ins. Co. (Hartford) Life, accident, health	94	1.35	85½	1.6
Trico Products Corp. Manufacturers of automotive equipment	34	2.50	57	4.4
Trinity Universal Insurance Company Diversified insurance	23	1.10	36	3.1
Troxel Manufacturing Co. Bicycle saddles	17	0.25	9½	2.6
Trust Co. of Georgia	26	3.00	118½	2.5
TUCSON GAS, ELECTRIC LIGHT AND POWER CO. Electric and gas utility ● See Company's advertisement on page 46.	**42**	**0.77**	**31½**	**2.4**
Twin City Fire Insurance Co. Diversified insurance	34	0.60	35	1.7
Twin Disc Clutch Co. Clutches and gears	26	4.00	106	3.8
220 Bagley Corp. Theatre and office building	13	1.00	38	2.6
Tyer Rubber Co. Manufacturers of rubber goods	23	0.40	10½	3.8
Tyler Refrigeration Corp. Commercial refrigerators	23	0.90	18¾	4.8
Uarco, Inc. Business forms	26	2.60	73½	3.5
Union Bank (Los Angeles)	43	†1.04	48¾	2.1
Union Commerce Bank (Cleveland)	17	2.20	54	4.1
Union Gas System, Inc. Natural gas utility	13	1.52	40	3.8
Union Lumber Co. California redwood	12	1.50	60	2.5
Union Metal Manufacturing Co. Outdoor lighting poles and foundation piling	22	3.00	65	4.6
Union Natl. Bank in Pittsburgh	*35	1.50	50	3.0

* Details not complete as to possible longer record.
† Adjusted for stock dividends, splits, etc.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Union Natl. Bank of Youngstown, Ohio	23	†1.31	41	3.2
Union Oil & Gas Corp. of Louisiana Name changed to Union Texas Natural Gas Corp. in March 1960				
Union Planters National Bank of Memphis	30	†1.47	47½	3.1
Union Texas Nat. Gas Corp. Crude oil and natural gas production	55	†0.39	24	1.6
Union Trust Co. of Maryland	21	2.00	49	4.1
United Illuminating Co. Connecticut operating utility	60	1.43	27¾	5.2
United Insurance Co. of America Life, accident & health	20	†0.66	36⅛	1.8
United Life & Accident Insurance Co. Life, accident & health	23	4.00	550	0.7
United Printers & Publ., Inc. Greeting cards, gift wrapping and party goods	21	0.60	17⅝	3.4
United Screw & Bolt Corp.—Class B	21	2.40	25	9.6
United States Cold Storage Corp. Car-icing, ice, etc.	18	1.00	13½	7.4
U. S. Envelope Co. Manufacturer of envelopes, tablets, paper cups and other paper products	20	1.05	26	4.0
U. S. Fidelity & Guaranty Co. Diversified insurance	21	†0.98	40⅜	2.4
U. S. Fire Insurance Co. Diversified insurance	51	1.10	29¾	3.7
U. S. Lumber Co. Holding company, land and mineral interests	*52	0.35	4¾	7.4
U. S. Natl. Bank (Portland)	61	2.60	70	3.7
U. S. Radium Corp. Phosphors, industrial radiation sources, dials, panels and nameplates	16	†0.18	12½	1.4
U. S. Realty & Investment Co. Real estate	19	1.50	25	6.0
United States Testing Co. Testing, research, inspection and engineering	25	0.30	12	2.5
U. S. Truck Lines (Del.) Inter-city motor carrier	28	†0.92	15¾	5.8
U. S. Trust Co. of N. Y. Investment management, trusts, and estates	107	4.00	94	4.3

* Details not complete as to possible longer record.
† Adjusted for stock dividends, splits, etc.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
United Steel & Wire Co. Wire and metal specialties	23	0.05	5½	0.9
United Utilities, Inc. Holding company	21	1.43	40¼	3.6
Univis Lens Co. Manufacturer and distributor of multifocal opthalmic lens blanks and eye glass frames	32	0.75	13½	5.6
Upper Peninsula Power Electric public utility	12	1.60	30¼	5.3
Upson (The) Co. Exterior and interior fibre wallboard	19	0.45	13	3.5
Upson-Walton (The) Co. Manufactures wire rope, tackle blocks, crane hook blocks and rope fittings	25	0.60	10	6.0
Utah Home Fire Insurance Company Fire and casualty insurance	27	1.00	28	3.6
Valley Mould & Iron Corp. Ingot moulds and stools	24	3.00	46½	6.5
Valley National Bank (Phoenix, Ariz.)	27	†0.90	60	1.5
Van Camp Sea Food Co., Inc. Cans sea food	12	1.15	32½	3.5
Van Waters & Rogers, Inc. Wholesalers, industrial chemicals and scientific apparatus	21	†0.77	37½	2.1
Vanity Fair Mills Lingerie	*12	1.35	29	4.7
Vapor Heating Corp. Manufacturers of steam generators, thermostatic and electronic devices, car heating systems	26	1.50	28½	5.3
Veeder-Root, Inc. Makes counting and computing devices	26	2.50	55	4.5
Victoria Bondholders Corp. New York City real estate	24	20.00	650	3.1
Viking Pump Co. Rotary pumps	27	1.50	30	5.0
Virginia Coal & Iron Co. Owns soft coal land in Virginia and Kentucky	61	6.00	143	4.2
Virginia Hot Springs, Inc. Resort hotels	11	1.50	46½	3.2
Voi-Shan Industries, Inc. Manufactures metal fasteners and stampings	a39	1.00	27½	3.6
Volunteer State Life Insurance Co. Non-participating only	17	0.60	58	1.0
Vulcan Corp. Wood heels, bowling pins, etc.	10	0.85	20	4.3

* Details not complete as to possible longer record.
† Adjusted for stock dividends, splits, etc.
a Including predecessors.

Continued on page 46

Pacific Electro Magnetics Co. Stock Marketed

Pursuant to an Oct. 14 offering circular, Pacific Coast Securities Co., 240 Montgomery St., San Francisco 4, Calif., publicly offered 60,000 shares of the no par common stock of Pacific Electro Magnetics Co., Inc. at $5 per share.

The company is engaged in the research, development, manufacture, and sale of instrumentation devices for scientific analysis and industrial testing. The proceeds of the offering will be used for debt reduction, with the balance for general corporate purposes.

Geno Galigani With Hooker & Fay, Inc.

(Special to THE FINANCIAL CHRONICLE)

SAN FRANCISCO, Calif.—Geno Galigani has become associated with Hooker & Fay, Inc., 221 Montgomery Street, members of the New York and Pacific Coast Stock Exchanges. Mr. Galigani, who has been in the investment business in San Francisco for many years, was formerly manager of a local branch of Reynolds & Co. Prior thereto he was a partner in Davies & Co.

Burgess & Leith Adds .

(Special to THE FINANCIAL CHRONICLE)

BOSTON, Mass. — Mildred B. Spering has been added to the staff of Burgess & Leith, 53 State Street, members of the New York and Boston Stock Exchanges. Miss Spering was formerly with du Pont, Homsey & Company and J. S. Kimball & Company.

Over-The-Counter Supermarket For Largest Choice of Securities

Continued from page 45

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Vulcan Mould & Iron Co. Cast iron ingot molds and accessories	26	†0.54	9½	5.7
Wachovia Bank & Trust (Winston-Salem)	24	0.45	19¾	2.3
Walnut Apartments Corp. Owning and operating apartment house in Philadelphia	13	2.25	46	4.9
Warner & Swasey Co. Machine tools, earth moving machines, textile machinery, etc.	11	1.60	27¾	5.7
Warren Bros. Co. Paving contractors	17	†1.03	23	4.5
Washburn Wire Co. Wire and springs	21	2.50	35	7.1
Washington National Insurance Co. (Evanston, Ill.) Life, accident and health	37	0.72	48	1.5
Washington Oil Co. Crude oil and gas producer	35	2.50	32	7.8
Washington Steel Corp. Producer of Micro Rold stainless steel and strip	12	†1.33	26	5.1
Watson-Standard Co. Manufacturer of paints, varnishes, industrial coatings, chemical compounds, and distributor of flat glass	25	0.65	11	5.9
Waverly Oil Works Co. Oils and greases	10	0.50	10	5.0
Weingarten (J.) Inc. Supermarket chain	33	0.70	25	2.8
Welsbach Corp. Maintenance and installation of street lighting systems	13	†1.27	36	3.5
WEST COAST TELEPHONE CO. Operating public utility ● See Company's advertisement on page 38.	20	1.22	25⅞	4.7
West Mich. Steel Foundry Steel castings and transportation equipment	24	1.20	17¾	6.8
West Ohio Gas Co. Natural gas utility (distribution only)	20	†0.99	20	5.0
West Penn Power Co. Both operating utility and holding company	*37	2.90	62	4.7
West Point Mfg. Co. Textile manufacturing	73	1.20	18¾	6.4
West Virginia Water Serv. Co. Name changed to Southern Gas & Water Co., in June 1960				
Westchester Fire Ins. (N. Y.) Diversified insurance	89	1.30	30¼	4.3
Western Assurance Co. (Toronto) Fire, marine, aviation, auto and casualty	26	3.00	84½	3.6
Western Casualty & Surety Company Multiple line, fire & casualty and fidelity and surety bonds	22	1.40	43½	3.2
Western Electric Co. Makes telephone equipment for Bell System	24	3.60	275	1.3
Western Light & Telephone Supplies electric, gas, water and telephone service	21	2.20	44¾	4.9
WESTERN MASSACHUSETTS COS. Electric utility holding company ● See Company's advertisement on page 39.	34	1.20	23⅞	5.0
Weyerhaeuser Company Manufacture, conversion and sale of forest products	27	1.20	34¼	3.5

* Details not complete as to possible longer record.
† Adjusted for stock dividends, splits, etc.

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Whitaker Cable Corp. Manufacturer of automotive cable products	25	c0.80	14	5.7
Whitaker Paper Co. Paper products and cordage	26	2.60	55	4.7
Whitehall Cement Manufacturing Co. Manufacturer of portland cement	14	†1.73	42	4.1
Whitin Machine Works Textile machinery	73	0.40	32¼	1.2
Whiting Corp. Cranes, Trambean, chemical, foundry and railway equipment	23	0.40	10½	3.8
Whitney Blake Co. Insulated wires and cables	18	0.40	9¼	4.3
Whitney Natl. Bk. (New Or.)	75	4.00	387	1.0
Will & Baumer Candle Co. Candles and beeswax	64	1.00	18	5.6
Willett (Consider H.), Inc. Maple and cherry furniture	*20	c0.40	7	5.7
Williams & Co., Inc. Distributor of metals	27	1.70	35½	4.8
Wilmington (Del.) Trust Co.	52	2.25	54	4.2
Winters Natl. Bank & Trust (Dayton, Ohio)	*35	1.10	26¾	4.1
Wisconsin National Life Insurance Co. Life, accident, sickness and hospitalization insurance	41	0.55	34	1.6
Wisconsin Power & Light Operating public utility	14	1.48	35¼	4.2
Wisconsin Southern Gas Company, Inc. Operating natural gas public utility	14	†0.99	23½	4.2
Wiser Oil Company Crude oil and natural gas producer	45	3.00	38	7.9
WJR The Goodwill Station INC (Detroit, Mich.) Detroit broadcaster	32	†0.39	9¼	4.2
Wolverine Insurance Co., Class A Diversified insurance	13	†0.75	55	1.4
Wood Conversion Co. Manufacturer of wallboard, insulating, cushioning materials, etc.	23	0.50	12¼	4.1
Woodward Governor Co. Speed controls for engines and propellers	21	2.50	57	4.4
Worcester County National Bank (Mass.)	18	4.00	105	3.8
Wurlitzer Company Manufacturer and retailer of musical instruments	11	0.60	19	3.2
Wyatt Industries, Inc. Steel plate fabricators and plastic and rubber molded products **Formerly Wyatt Metal & Boiler Works. New name became effective Dec. 31, 1959**	47	2.00	24	8.3
Wyckoff Steel Co. Cold finished steels	26	1.20	17¾	6.8
York Corrugating Co. Metal stamping, wholesale plumbing and heating supplies	24	1.25	17¾	7.0
York County Gas Co. Operating public utility	15	2.60	54	4.8
York Water Co. Operating public utility	146	1.48	31½	4.7
Yosemite Park & Curry Co. Concessioner, National Park	18	0.30	5	6.0
Young (J. S.) Co. Licorice paste for tobacco	49	4.50	63	7.1
Younker Bros. Department stores in Midwest	*13	2.00	39	5.1
Zeigler Coal & Coke Co. Owns mines in Illinois and Kentucky	21	†0.59	14½	4.1

* Details not complete as to possible longer record.
† Adjusted for stock dividends, splits, etc.
c Annual dividend rate indicated.

TABLE II

OVER-THE-COUNTER

Consecutive Cash

DIVIDEND PAYERS

for

5 to 10 Years

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Air Products, Inc. Low temperature processing equipment and industrial gases	6	0.20	41	0.5
Alabama-Tennessee Natural Gas Co. Pipeline	9	1.20	25½	4.7
Allen (R. C.) Business Machines, Inc. Adding machines, typewriters, etc.	8	0.50	11¼	4.4
Allied Thermal Corp. Holding co., heating equipment	6	1.05	29	3.6
American Home Assurance Corp. Diversified insurance	9	1.50	45	3.3
American Mail Line, Ltd. Trans-Pacific service	5	1.00	16	6.3
Angelica Uniform Co. Industrial and institutional service apparel	6	0.82	15	5.5
Arrowhead & Puritas Waters, Inc. Bottled drinking water	7	0.92	29½	3.1
Atlas Finance Co. Auto financing	8	0.70	11	6.4
Barden Corp. Precision ball bearings	6	†0.49	35	1.4
Beam (James B.) Distilling Co. Kentucky distiller	7	†0.29	26½	1.1
Bradley (Milton) Co. Games, toys and educational teaching aids	9	†1.03	58	1.8
Brewster-Bartell Drilling Co. Marine and other, by contract	5	0.20	4¼	4.7
California Interstate Telephone Co. Telephone service	7	0.70	13½	5.2
Camco, Inc. Gas lift equipment	7	0.10	11¾	0.9
Chattanooga Gas Co. Operating public utility	5	0.075	4¼	1.8
Churchill Downs, Inc. "Kentucky Derby"	9	1.30	18	7.2
Civil Service Employees Insurance Co. Diversified insurance	7	1.10	75	1.4
Commonwealth Natural Gas Corp. (Richmond, Va.) Transmission of natural gas	6	s1.00	21¼	4.7
Commonwealth Telephone Co. (Dallas, Pa.) Telephone service	9	0.93	21¼	4.4
Consolidated Freightways, Inc. Motor freight	9	0.80	16¼	4.9
Consolidated Rock Products Co. Gravel and sand	8	0.80	15⅜	5.2

† Adjusted for stock dividends, splits, etc.
s Annual dividend rate now $1.10.

Over-The-Counter Supermarket For Largest Choice of Securities

	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Consumers Water Co. — Holding co.	9	1.20	27	4.4
Continental Transportation Lines, Inc. — Transports commodities	6	0.70	11¼	6.2
Corning Natural Gas Corp. — Operating public utility	8	1.18	22	5.4
Craftsman Life Insurance Co. — Formerly Craftsman Insurance Co. Name changed in October 1959. Diversified insurance	*7	†0.34	20	1.7
De Laval Steam Turbine Co. — Turbines, pumps, etc.	9	0.80	27	3.0
Diebold, Inc. — Office equipment and bank equipment	7	†0.59	56½	1.0
Di-Noc Chemical Arts, Inc. — Manufacturers of plastics and photographic materials, lacquer wood grain finishes	6	0.58	47	1.2
Eagle Stores Company, Inc. — Variety chain in South	8	0.75	18½	4.3
East Tennessee Natural Gas Co. — Supplies Oak Ridge	6	0.60	10½	5.7
Eastern Industries, Inc. — Mfrs. pumps and traffic signals	8	0.40	14¾	2.7
Elk Horn Coal Co. — Soft coal	5	0.50	14¾	3.4
Fairbanks Co. — Valves, etc.	7	0.10	6⅛	1.6
Farmer Brothers Co. — Wholesale roast coffee and related products	8	0.40	6⅝	6.0
Fearn Foods, Inc. — Soup bases, seasoning compounds, etc.	7	0.70	19	3.7
Federal Life & Casualty Co. (Battle Creek, Mich.) — Life, accident & health	6	1.00	85	1.2
Frigikar Corp. — Auto air conditioners	5	0.40	12¾	3.1
Frito Co. — Manufacturer and distributor of food products	7	0.53	25	2.1
Government Employees Corp. — Auto financing	8	†0.78	35¾	2.2
Green Mountain Power Corp. — Public utility, electric and gas in Vermont	9	1.08	19½	5.5
Greenwich Gas Co. — Public Utility — Distributor of natural gas in Connecticut	9	0.70	12½	5.6
Grolier, Inc. — Formerly Grolier Society, Inc. Name changed in December 1959. "The Book of Knowledge" and "Encyclopedia Americana"	7	1.05	28¼	3.7
Hagerstown Gas Co. — Natural gas supplier	9	0.80	14½	5.5
Hood Chemical Co. — Household chemical products	6	0.10	2⅝	3.8
Hoving Corp. — Bonwit Teller women's stores	7	0.60	13⅜	4.5
Hudson Pulp & Paper Corp., Class A — Pulp, paper and paper products	9	1.26	24¾	5.1
Hugoton Production Co. — Natural gas producer	7	3.30	87¼	3.8
Indiana Gas & Chemical Co. — Coke	9	1.25	30	4.2
International Textbook Co. — Printing, publishing and home study schools	9	3.00	52	5.8
Jack & Heintz, Inc. — Manufactures aircraft electric equipment	9	0.80	14¾	5.4
Kelling Nut Co. — Edible nuts	5	0.25	5	5.0

* Details not complete as to possible longer record.
† Adjusted for stock dividends, splits, etc.

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A Dangerous Inflationary Potential Still Exists

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United States balance of international payments.

A Payments Problem—Although the United States has been incurring a deficit in the balance of payments for most of the past decade, the problem has become more serious in recent years. Underlying this development, in essence, is the inability of our net receipts from foreign trade and foreign investment to offset the outflow of private funds and government grants and credits. In part, of course, this reflects the huge international aid commitments we have assumed as a corollary to our increased international responsibilities. To an important extent, however, it reflects also the great progress registered by foreign producers in strengthening their competitive prowess relative to that of the United States.

While Western Europe and Japan have not only expanded their industrial capacity and modernized their plant, but have improved their efficiency to the point where even large wage increases can in many cases be offset by gains in productivity, producers in the United States continue to be plagued by rising costs which eat into profit margins. To meet this situation, American business has been expanding its investment in facilities abroad, but this of course places a further strain upon the balance of payments and has obvious unfavorable implications for our exports. Moreover, many domestic industries are, in increasing measure, importing component parts for their domestic manufacturing operations.

Our export trade has expanded substantially this year, as the vigor of the economic boom abroad boosted sales all along the line. Despite this great improvement, however, the latest official estimate is that the balance of payments in the first half of the year was running a deficit at an annual rate close to $3 billion. This is still far above most previous years and is distinctly higher than we can sustain in the long run. Clearly, if we are to continue to meet our responsibilities as a world power, we must further raise our earnings from world trade to a level adequate to cover our foreign aid and investment activities.

Below-Surface Growing Skepticism

New Position of the Dollar — Furthermore, it would be erroneous and indeed dangerous to regard the problem of the balance of payments as belonging wholly to the long-run future. The United States is the free world's largest banker with short-term liabilities to foreigners now exceeding $20 billion, or more than our total gold stock. This continues to be a thoroughly adequate coverage, even allowing for the fact that the larger part of our gold stock needs to be held as a statutory reserve against domestic liabilities. However, one of the characteristics of banking, in the international as in the domestic sphere, is the need to maintain a high reputation for soundness and solidity; as a world banker, we cannot ignore the opinions of our creditors regarding the stability of the United States dollar.

The United States dollar, hitherto the one major currency free of restrictions in international exchange, has in recent years been buffeted repeatedly in world markets, while other currencies have gained in stature. To be sure, the dollar scares and devaluation rumors which occasionally flash through foreign money centers have so far represented no more than the unfounded apprehensions that may beset even the soundest of currencies from time to time. Beneath the surface, however, there undeniably is growing skepticism concerning the longer term outlook for the dollar, based on the belief that economic trends and policies in the United States are still weighted in favor of inflation. There is some feeling that wage increases in this country are likely to continue to outpace productivity gains, that labor costs and prices will hence continue upward, that credit policy may be further impeded by pressures for more government spending and lower interest rates, that the balance of payments will continue heavily unfavorable, and that ultimately a devaluation of the dollar is not outside the realm of possibility. In such a situation, there is a real risk that declining confidence in the dollar may bring a growing drain on the gold stock and precipitate a dollar crisis.

Prescribes Unpopular Medicine

The Alternatives—To minimize or dispel the risks inherent in the current balance of payments situation requires the adoption of more than one course of action. Some reduction in our international deficit can of course be achieved if we succeed in persuading our partners in the free world to assume a larger portion of international military and economic aid, although such efforts have so far had only indifferent results. Coming to grips with the roots of the problem, however, will require more aggressive selling in world markets, competitive pricing, and better control over costs. This in turn presupposes a national wage policy concerned with ending the constant rise in unit labor costs, that is, by limiting the rate of wage increases to the pace of productivity gains. In addition, of course, it presupposes that credit, fiscal and debt management policies are coordinated in a manner which will contribute toward price stability and do more to restrain inflationary pressures when they arise than has hitherto been the case. In sum, we shall have to prove ourselves aware that the solidity of the dollar, which was an accepted fact in international markets for almost a quarter century, cannot be taken for granted indefinitely, and that maintenance of the dollar as a key currency in international exchange requires adapting our own policies to the new state of the world economy.

These essential actions are not likely to be popular. In the political arena, they clash with current proposals for more Federal spending and easier credit. In business,

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Over-The-Counter Supermarket For Largest Choice of Securities

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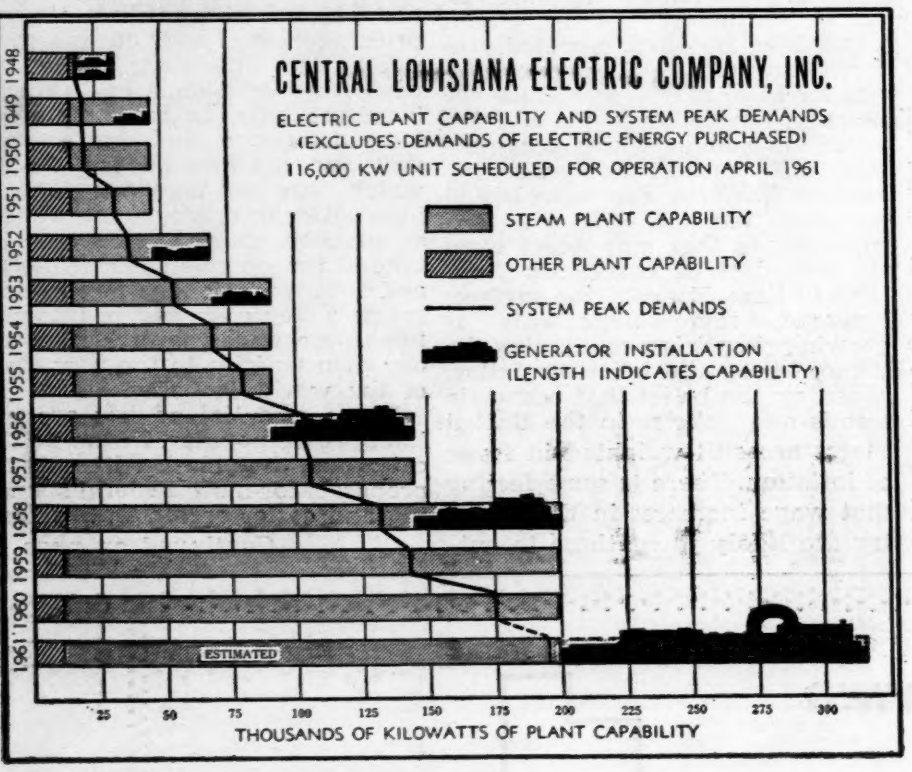
	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Lee & Cady Co. — Wholesale grocery chain	7	0.60	8	7.5
Ley (Fred T.) & Co. — N.Y.C. real estate	8	0.30	3¾	8.0
Louisville Investment Co.	7	2.00	78	2.6
Marsh Steel & Aluminum Co. — Metal products	9	0.45	6⅛	7.3
McNeil Machine & Engineering Co. — Tire curing presses, industrial machinery, lubrication equipment	9	1.00	36½	2.7
Memphis Transit Co. — Local transport system	5	0.55	5⅝	9.8
Michigan Gas Utilities Co. — Natural gas distributor	7	†0.55	15	3.7
Mississippi Valley Gas Co. — Natural gas distributor	7	1.20	23	5.2
Monmouth Park Jockey Club, Common and VTC — Thoroughbred horse racing	8	0.45	8½	5.3
N. Y. Wire Cloth Co. — Metal insert screening	8	1.35	18	7.5
Niagara Frontier Transit System, Inc. — Serves Buffalo and Niagara Falls	5	0.60	13	4.6
Northwest Natural Gas Co. — Natural gas distributor	8	0.75	20⅞	3.6
Northwest Plastics, Inc. — Plastic products	9	0.28	7¼	3.9
Pacific Outdoor Advertising Co. — Outdoor advertising	9	0.60	11½	5.2
Palace Corp. — Trailers	9	0.10	3⅛	3.2
Pantex Manufacturing Corp. — Laundry equipment	8	0.015	2	0.8

† Adjusted for stock dividends, splits, etc.



	No. Consecutive Years Cash Divs. Paid	Cash Divs. Including Extras for 12 Mos. to June 30, 1960 $	Quotation June 30, 1960	Approx. % Yield Based on Paymts. to June 30, 1960
Park-Lexington Co. — N. Y. C. real estate	8	10.00	165	6.1
Penn Fruit Co. Inc. — Regional super market chain	8	†0.34	17	2.0
Petersburg Hopewell Gas Co. — Natural gas	8	1.08	24¼	4.5
Pioneer Natural Gas Co. — Serves West Texas & Louisiana	*6	†0.82	23¾	3.5
Plastic Wire & Cable Corp. — Plastic covered wire and cable	8	†0.95	19	5.0
Plymouth Rubber Co. — Plastic and rubber specialties	8	0.25	10½	2.4
Portable Electric Tools, Inc. — Portable tools	6	†0.37	13⅞	2.7
Porter-Cable Machine Co. — Portable electric tools	7	†0.77	20½	3.8
Prestole Corp. — Metal fastening devices	5	0.10	7⅜	1.4
Racine Hydraulics & Machinery, Inc. — Pumps, valves, etc.	8	0.60	14½	4.2
Radio Condenser Co. — Manufacturing electronic parts and components, variable condensers, auto push button tuners, military tuners	7	0.30	9	3.3
Ritter Finance Co., Class B — Personal loans	8	0.28	4⅝	6.1
Savannah Electric & Power Co. — Operating public utility	5	1.03	31⅞	3.2
614 Superior Co. — Rockfeller Bldg., Cleveland	7	2.00	48	4.2
Smith & Wesson, Inc. — Pistols and revolvers	6	0.50	35	1.4
Southern Nevada Power Co. — Electric utility	9	1.10	38¾	2.8
Southland Paper Mills, Inc. — Newsprint	9	2.00	130	1.5
Sprague Engineering Corp. — Aircraft equipment	5	0.40	12	3.3
Standard Milling Co. Class B, Voting — Flour, grain and charcoal	6	0.20	4	5.0
Standard Paper Manufacturing Co. — Sulphite bonds & coated papers	9	6.00	95	6.3
Statler Hotels Delaware Corp. — Owns former Statler properties	5	0.70	5¼	13.3
Steak 'n Shake, Inc. — Restaurant chain	7	0.35	5⅞	6.0
Sterling Discount Corp. — Auto financing	8	0.60	9⅛	6.6
Texas Industries, Inc. — Aggregate, cement and concrete products	8	0.30	9⅜	3.2
TITLE GUARANTEE CO. (N. Y.) — Title insurance ● See Company's advertisement on page 33.	8	**1.40**	**27½**	**5.1**
Toronto General Insurance Co. — Fire & casualty	*7	1.50	24	6.3
Transcontinental Gas Pipe Line Corp. — Interstate natural gas pipeline system	9	†1.07	20	5.0
United States Life Insurance Co. in the City of N. Y. — Life, accident, health and group	9	0.15	40	0.4
United States Sugar Corp. — Sugar production	9	1.50	39	3.8
United Transit Co. (Del.) — Urban bus lines	8	0.70	6⅝	10.6
Weco Products Co. — Toiletries	7	1.00	16⅜	6.1
Western Kentucky Gas Co. — Operating public utility	5	0.70	18¼	3.8
Western Utilities Corp. — Holding company and publishing telephone directories	8	0.36	7¾	4.6

* Details not complete as to possible longer record.
† Adjusted for stock dividends, splits, etc.

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A Dangerous Inflation Potential Still Exists

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they presume greater attention to costs and more effective price competition. Labor, in turn, would face the need to moderate its wage demands and to cooperate in order to increase productivity.

There may consequently be a strong temptation to seek relief through protectionist devices, such as higher tariffs and import quotas. Obviously, such measures would hinder the most efficient utilization of resources, raise costs and prices at home, and run counter to the established aims of our international economic policy. Finally, if we take no action at all in the hope that the problem will somehow resolve itself, the dollar will be placed in growing jeopardy.

Some Concluding Thoughts

Taking stock of the current state of the economy clearly indicates that many sources of inflationary pressure in the postwar era have evaporated. Deferred demands have long since been filled, hyperliquidity has been drawn down, and shortages of materials and of productive facilities have been replaced by an abundance of plant, equipment and supplies throughout the market place.

In the monetary and fiscal area, however—i. e., credit policy, the budget, and debt management —the inflationary bias has not been conquered and indeed is likely to strengthen. Although credit policy has contributed materially to the containment of inflation in recent years, its power to cope with inflationary forces and tendencies has been mitigated as a result of rising money velocity and the growth of money substitutes. Furthermore, no lasting solution is in sight for the problem posed by the overhang of a large and growing short-term Treasury debt. On the contrary, strong pressures for greater government spending make it reasonable to expect further budget deficits in the years ahead.

This raises the possibility of even more troublesome debt management problems in the future, and gives substantial grounds for anticipating a growing contribution to the inflationary potential in the United States economy as a result of increasing holdings of liquid assets. So long as the economy has idle productive capacity and a highly competitive market situation, this potential may well remain dormant. In our cyclical business environment, however, such a state will presumably not continue indefinitely, and when in the years ahead the economy enters a more vigorous phase of expansion, an enhanced supply of liquid assets is likely to be used more actively, placing an upward push upon the price level from the monetary side. All this suggests that credit policy is likely to continue impeded by the lack of coordination with fiscal and debt management policies.

In addition, the emergence of a balance of payments problem has added a further threat to the stability of the dollar on the international plane. Although the deterioration in our international accounts is essentially a long-range problem, the corollary threat of a confidence crisis carries a call for remedial action which is more forceful in many ways than that posed by the

gradual worsening in our budget and debt structure alone. Certainly, if matters are permitted to drift further in the monetary and fiscal area, the risks to the dollar will become progressively grave.

If properly recognized and met, the existence of these problems could serve as a source of discipline in our economic policies, and hence as forces for greater stability in the purchasing power of the dollar. So far, however, there is all too little evidence of a national readiness to take the requisite measures to deal with the deterioration in the budget, the Treasury's debt position and the balance of payments; on the contrary, pressures are rising which would further add to these difficulties.

These trends, prospects and possibilities do not mean that further inflation is inevitable. Whether the hazards here described actually materialize will depend on actions taken or left undone in the months and years ahead. The crucial decisions, however, are largely political rather than economic; they pertain to such matters of public policy as government spending, taxation, Treasury debt management, and the scope of action to be permitted the Federal Reserve. Meanwhile, in any appraisal of the longer term outlook for the United States economy, the dangers of an accumulating inflationary potential from these sources are still too formidable to be dismissed.

*An updated version of a paper delivered at the Annual Meeting of the American Statistical Association, Stanford University, Palo Alto, California, Aug. 23, 1960.

Difference Between Listed & Over-the-Counter Trading

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The exchange market is often referred to as an auction market because a stock exchange provides a focal point for the concentration of bids and offerings of potential purchasers and sellers for all securities listed on it. Genuine auction marketing in a security cannot be maintained, however, unless there is sufficient activity in it.

In those cases where less active securities are traded on an exchange, it devolves upon the stock specialist for each particular stock to create a market, in the absence of sufficient public orders to buy or sell, by, in effect though not in strict parlance, putting in an order for his own account. In other words, if you wanted to sell 100 shares of XYZ stock and the specialist had no order from anyone else to buy that stock, he himself would be expected to enter a reasonable bid on his own.

The continuity of any market thus created is largely dependent upon his financial resources and his willingness to risk his own money.

The Over-the-Counter Market

On the Over-the-Counter Market the situation is quite different. Here there are a tremendous number of dealer firms from coast to coast that interest themselves in making a market for unlisted and some listed stocks and bonds. Most of them can communicate with each other instantaneously through private telegraph wires or other facilities at their disposal.

Thus many over-the-counter dealer-brokers, in New York, for instance, will be doing business throughout the day with other dealer-brokers in Boston, New Orleans, Chicago, St. Louis, Denver, Los Angeles, San Francisco, Seattle and other cities from coast to coast. As an integral part of their operations dealer-brokers stand ready to buy and sell substantial quantities of the securities they are "quoting" and maintain inventories in them. Some firms, of course, choose to act solely as brokers and not dealers.

Because of competition, the spread between the bid and the asked figures on more active stocks is quite narrow. In less active stocks the over-the-counter dealer must find contra-orders if he does not wish to assume inventory positions in the securities involved. It is his business to know which other dealers in all parts of the country might have a buying interest in a given security.

One, five, ten, fifty or more over-the-counter dealers in different parts of the country may interest themselves in "making a market" for a given unlisted security. Prospects known to the first dealer, or known to those other dealers he contacts (either locally or in other cities), may often include individuals who are believed to have a buying or selling interest in the instant security, or investors who might be induced to buy.

The process of constantly seeking out buyers and sellers is characteristic of the Over-the-Counter Market.

A major characteristic, too, of the "counter" market is negotiation. If a gap in price exists after a prospect is found, the transaction does not die. Instead, negotiation ensues. The mere existence of a buy or sell order is the incentive for the "counter" dealer to find the opposite. The Over-the-Counter Market thus has no physical limitations.

As a practical matter, though, individuals in any city of 100,000 or more can frequently pick up a phone and call a dealer-broker and get an execution on an order for an unlisted security momentarily—often while the call is progressing.

Some "Counter" dealers sell directly to investors themselves. In other cases they may have a dealer following throughout the country consisting of retail firms that are always looking for securities that present good values to sell to their investor clientele.

Numerous exchange firms also deal in over-the-counter securities and any that do not must buy from or sell to an over-the-counter dealer to execute customers' orders for unlisted securities.

Many listed securities, too, are sold over-the-counter when the blocks are too large to make a quick orderly sale on an exchange possible.

An investor need not concern himself with the intricacies enumerated above, since his dealer-broker will obtain current market quotations on any over-the-counter stock or bond, and handle all details of purchase and sale.

The longer trading day in the Over-the-Counter Market is often a distinct advantage to the investor. On an exchange, securities can only be sold in New York between the hours of 10:00 and 3:30; in the Midwest between 9:00 and 2:30, and on the West Coast between the hours of 7:00 and 2:30. However, in most instances unlisted securities can be sold any time between 9:00 and 5:00 in the Midwest, and on the West Coast it's even longer than that. Dealer-brokers in the Over-the-Counter Market there are on the job from 7:00 in the morning until 5:00 in the afternoon.

Stock Exchange Commission Rates vs. Counter Dealer Charges

When an exchange-broker executes an order for you in an exchange-listed stock, he tells you the cost price as well as the amount of his commission on your confirmation slip. On the other hand the

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Difference Between Listed & Over-the-Counter Trading

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over-the-counter dealer more often than not buys from and sells to you "as principal" or on a "net" basis, as it is termed in the parlance of the securities business. This means his profit or loss is included in the price he quotes you and there is no commission charge shown on his confirmation. The over - the - counter dealer usually acts just as a merchant does in other lines of business. In other fields when you buy a set of dining room furniture, a fountain pen or what have you, the merchant sells it to you at a flat price and does not add any commission thereto. So with the "counter" dealer.

It is true that exchange commission rates more often than not are lower than the profit rates over-the-counter dealers are obliged to operate on. An important reason for this is the fact that the services of the over-the-counter dealer, besides frequently necessitating his taking the risk of an inventory position, include the extensive searching for matching bids and offers from potential buyers and sellers.

When a security is taken from the Over-the-Counter Market and listed on a stock exchange, over - the - counter dealers ordinarily lose interest in it, for they cannot make a profit trading in it at rates comparable to the commission charges of exchange firms. Though the "counter" dealers' profit rates may be somewhat higher, they may afford investors "better" prices than the less expensive service of exchanges.

Values

For one thing, the basic fact is that the price of over-the-counter stocks is not swollen by the premium the public is ordinarily willing to pay for exchange-listed securities. Then, too, active listed stocks and the exchange stock ticker system provide a ready vehicle for speculation and tend to center buying and selling decisions on short-term price price swings in lieu of "real economic values." Many apparently buy stocks according to hoped-for price movement and not for true investment purposes, their interest being merely "where is the price going and when."

The mere fact that under the "exchange auction-specialist system" the spread between bid and ask prices is close or narrow is no indication that the investor gets good value when he buys or that the seller obtains a price in keeping with the intrinsic value of the stocks he wishes to sell. Intelligent investors are quick to recognize the fact that prices and values are two totally different things.

As pointed out before, the assumption of inventory positions is an integral part of the over-the-counter dealers' task. They must take the initiative in assuming such positions. Although they must be aware of and responsive to the foibles of their customers, they cannot without unwarranted hazard buy securities for inventory purposes unless they take cognizance of basic economic values.

Basic economic values may appear somewhat elusive, but they are nonetheless real. They consist of mathematical and non - mathematical elements. Some insights as to the real value of a stock may be gained by checking such things as its earnings and dividend records, book value and liquidating value. But the first three of these are tied to the past, and subject to the fact that accounting is an inexact science. And liquidating value may be largely of academic significance, if the corporation is going to continue in existence. The anticipated future average annual net income of a corporation may be capitalized numerically, but not without reference to many non-numerical concepts. These include the acumen, initiative, imagination and forcefulness of the officers and directors of the corporation. Speculation as to how the present and possible future products of a corporation will fare on the markets may be handled numerically only to a certain extent.

When an individual consistently purchases stocks without regard to basic economic values, he may at times make money, but sooner or later he will book losses. And although he may remain "in the market" for an extended period, he cannot do so after his capital is exhausted.

Inventory Positions

So it is with the over-the-counter dealer. If he habitually assumes inventory positions at prices out of line with basic economic values, the economic forces will in due time exhaust his capital and drive him from the scene. For survival he must be cognizant of the elements, listed above, which are determinants of the real value of the securities in which he is taking inventory positions. His prices cannot consistently be out of line with real values. Particularly in regard to the non-numerical elements which go into the making of the real value of a security in which he is to assume a position, he must, as a general rule, have knowledge superior to that of the lay trader.

Therefore, an important contribution of over - the - counter dealers who take important inventory positions results from the fact that their market pricing must be influenced definitely by intrinsic corporate value factors. They must stress value consciousness over quotation consciousness.

Officers and directors of the 14,000 banks and the major insurance companies of the country when buying or selling their own institution's stock for their own account do so almost entirely through over-the-counter dealers. Investment officers, of these institutions, too, are continually buying and selling government, municipal and corporation bonds and stocks through "counter" dealers for the account of their banks and companies.

Just as you get good or indifferent treatment and values from both large and small stores in other lines of business, so it is with over-the-counter dealers. It is not necessary for a firm to have a million dollars to be thoroughly trustworthy and to have good judgment with respect to investment values. Just be sure the over-the-counter firm or individual dealer you contemplate doing business with has a good reputation.

It is no exaggeration to say that both exchanges and the Over-the-Counter Market are vital to our economic life. Through the medium of stocks and bonds, idle capital of individuals, banks, institutions and the like flows into trade and industry and makes it possible for business to obtain the wherewithal with which to provide jobs for ever more workers at ever less human effort and at ever more remuneration. Savings thereby become an asset to society and not a problem. The beauty of it is that the capital needs of both big and small business alike can be thus served.

If it were not for the exchanges and Over-the-Counter Markets, investors of all types would find it almost impossible to quickly retrieve the capital they put at the disposal of governments, municipalities or corporations. This is one of the many reasons why it is socially important that those engaged in the investment business thrive.

J. P. Gallon Opens

GREAT NECK, N. Y.—Jerome P. Gallon has opened offices at 12 Ridge Drive East, to engage in a securities business under the firm name of Gallon Securities Co.

New Buck Office

FALMOUTH, Mass. — Richard J. Buck & Co. has opened a branch office at 235 Main Street under the management of John J. Liddy and Paul Lee.

Sign Documents on Bond Offering

Piero Malvestiti of Italy (seated center), President of the High Authority of the European Coal and Steel Community, is shown signing agreements covering the offering of $35,000,000 bonds and notes of the High Authority by an underwriting group headed by Kuhn, Loeb & Co., The First Boston Corporation and Lazard Freres & Co. The signing took place in the offices of Kuhn, Loeb & Co., in New York City.

Seated left are Dr. Fritz Hellwig, Germany, a member of the High Authority, and, right, Hans Skribanowitz, Luxembourg, High Authority Director General of Loans and Investments. Standing, left to right, are Edwin H. Herzog, partner of Lazard Freres & Co.; Edward Townsend, Vice-President of The First Boston Corporation; and J. Emerson Thors, partner of Kuhn, Loeb & Co.

M. A. Lomasney Offers Carco

Myron A Lomasney & Co., of New York City, is offering 150,000 shares of the common stock of Carco Industries, Inc. at $5 per share. The company was organized under Delaware law in July 1960 for the purpose of acquiring all the capital stock of Carco Industries, Inc., a Pennsylvania corporation, which was organized in December 1954. All the outstanding shares of the Pennsylvania corporation are being acquired in exchange for 200,000 shares of the new company which, through the Pennsylvania subsidiary, will engage in the manufacture, assembly, sale and installation of a variety of metal products including assembly and production line equipment, ground-support and missile and aircraft handling equipment and pipe fittings.

Of the net proceeds of the stock sale, $10,000 is to be used to purchase additional property adjacent to the present plant in northeast Philadelphia. $85,000 for the erection of a building thereon, $105,000 for additions to and improvements in the company's plant, machinery and equipment, and $100,000 for payment of income taxes for the fiscal year ended Aug. 31, 1960. The balance of about $299,750 of the proceeds will be added to working capital for carrying of increased inventories and accounts receivable.

Of the outstanding 200,000 shares of common stock, 127,400 shares are owned by Charles A. Russo, President, and 43,000 shares by John Bello, Executive Vice-President. As of May 31, 1960, each of the 200,000 shares had a book value of $1.73 per share. They were acquired by the management officials at an aggregate cost of $139,800; and after completion of this public offering they will have an aggregate book value of $540,036. Purchasers of the 150,000 shares will own about 43% of the outstanding common stock at an aggregate cost of $750,000 and having an aggregate book value of $405,027.

Pacific Lighting Debens. Offered

Blyth & Co., Inc. and associates are offering publicly today (Oct. 20) an issue of $25,000,000 Pacific Lighting Gas Supply Co. 5% sinking fund debentures, series A, due 1980, at 100.63% to yield 4.95%. The group was awarded the issue at competitive sale on a bid of 99.85% for the 5% coupon on Oct. 19.

Net proceeds from the sale of the debentures will be used, to the extent required, to repay in full the company's short-term indebtedness to its parent, Pacific Lighting Corp., which is expected to approximate $19,500,000 when the proceeds are received. The remainder will be applied to the company's construction program, which is expected to require $28,555,000 during 1960 and 1961.

The debentures are not refundable at a lower interest rate to the company prior to Oct. 1, 1965, other than by operation of the sinking fund. Otherwise, they are redeemable at the option of the company at regular redemption prices ranging from 105.63% for those redeemed prior to Oct. 1, 1961 to 100% for those redeemed on or after Oct. 1, 1979; and for the sinking fund at sinking fund redemption prices ranging from 100.64% for those redeemed prior to Oct. 1, 1961 to 100% for those redeemed on or after Oct. 1, 1979.

Pacific Lighting Gas Supply Co. is a public utility engaged in purchasing natural gas from various producers in California and out-of-state natural gas from Transwestern Pipeline Co., in transmitting, storing and exchanging natural gas and in selling natural gas exclusively to its distributing affiliates, Southern California Gas Co. and Southern Counties Gas Co. of California, for resale by them. The company is a subsidiary of Pacific Lighting Corp., which owns all of its common stock.

Goodbody Co. Office

BIRMINGHAM, Mich.—Goodbody & Co. has opened an office at 155 South Bates Street under the direction of Wilfred G. Gill.

Indications of Current Business Activity

The following statistical tabulations cover production and other figures for the latest week or month available. Dates shown in first column are either for the week or month ended on that date, or, in cases of quotations, are as of that date:

		Latest Week	Previous Week	Month Ago	Year Ago
AMERICAN IRON AND STEEL INSTITUTE:					
Indicated Steel operations (per cent capacity)	Oct. 22	§54.6	*55.4	54.3	13.1
Equivalent to—					
Steel ingots and castings (net tons)	Oct. 22	§1,556,000	*1,579,000	1,547,000	371,000
AMERICAN PETROLEUM INSTITUTE:					
Crude oil and condensate output—daily average (bbls. of 42 gallons each)	Oct. 7	6,802,560	6,849,060	6,874,310	6,808,775
Crude runs to stills—daily average (bbls.)	Oct. 7	¶7,880,000	7,949,000	8,271,000	7,688,000
Gasoline output (bbls.)	Oct. 7	27,733,000	29,018,000	30,004,000	27,625,000
Kerosene output (bbls.)	Oct. 7	2,268,000	2,663,000	2,783,000	1,971,000
Distillate fuel oil output (bbls.)	Oct. 7	11,858,000	12,583,000	12,943,000	12,612,000
Residual fuel oil output (bbls.)	Oct. 7	5,930,000	6,168,000	6,250,000	5,537,000
Stocks at refineries, bulk terminals, in transit, in pipe lines—					
Finished and unfinished gasoline (bbls.) at	Oct. 7	188,642,000	187,417,000	188,886,000	177,613,000
Kerosene (bbls.) at	Oct. 7	35,121,000	35,151,000	34,521,000	32,814,000
Distillate fuel oil (bbls.) at	Oct. 7	171,437,000	168,625,000	159,108,000	177,670,000
Residual fuel oil (bbls.) at	Oct. 7	50,766,000	50,325,000	47,793,000	59,040,000
ASSOCIATION OF AMERICAN RAILROADS:					
Revenue freight loaded (number of cars)	Oct. 8	646,016	631,645	481,057	557,576
Revenue freight received from connections (no. of cars)	Oct. 8	535,480	531,758	444,225	516,685
CIVIL ENGINEERING CONSTRUCTION — ENGINEERING NEWS-RECORD:					
Total U. S. construction	Oct. 13	$444,500,000	$602,800,000	$423,300,000	$264,300,000
Private construction	Oct. 13	252,300,000	427,600,000	178,200,000	145,400,000
Public construction	Oct. 13	192,200,000	175,200,000	245,100,000	118,900,000
State and municipal	Oct. 13	171,500,000	150,600,000	215,200,000	110,600,000
Federal	Oct. 13	20,700,000	24,600,000	29,900,000	8,300,000
COAL OUTPUT (U. S. BUREAU OF MINES):					
Bituminous coal and lignite (tons)	Oct. 8	8,120,000	*8,255,000	6,600,000	7,767,000
Pennsylvania anthracite (tons)	Oct. 8	377,000	363,000	299,000	397,000
DEPARTMENT STORE SALES INDEX—FEDERAL RESERVE SYSTEM—1947-49 AVERAGE=100	Oct. 8	155	149	130	152
EDISON ELECTRIC INSTITUTE:					
Electric output (in 000 kwh.)	Oct. 15	13,736,000	13,725,000	13,903,000	12,861,000
FAILURES (COMMERCIAL AND INDUSTRIAL) — DUN & BRADSTREET, INC.	Oct. 13	326	343	305	252
IRON AGE COMPOSITE PRICES:					
Finished steel (per lb.)	Oct. 11	6.196c	6.196c	6.196c	6,196c
Pig iron (per gross ton)	Oct. 11	$66.41	$66.41	$66.41	$66.41
Scrap steel (per gross ton)	Oct. 11	$29.83	$29.83	$31.83	$44.50
METAL PRICES (E. & M. J. QUOTATIONS):					
Electrolytic copper—					
Domestic refinery at	Oct. 12	32.575c	32.475c	32.600c	32.375c
Export refinery at	Oct. 12	27.475c	27.550c	28.700c	28.000c
Lead (New York) at	Oct. 12	12.000c	12.000c	12.000c	13.000c
Lead (St. Louis) at	Oct. 12	11.800c	11.800c	11.800c	12.800c
‡Zinc (delivered) at	Oct. 12	13.500c	13.500c	13.500c	12.500c
Zinc (East St. Louis) at	Oct. 12	13.000c	13.000c	13.000c	12.000c
Aluminum (primary pig. 99.5%) at	Oct. 12	26.000c	23.250c	26.000c	24.700c
Straits tin (New York) at	Oct. 12	103.750c	103.125c	102.250c	102.750c
MOODY'S BOND PRICES DAILY AVERAGES:					
U. S. Government Bonds	Oct. 18	87.17	87.83	89.48	82.44
Average corporate	Oct. 18	86.91	87.18	87.59	83.91
Aaa	Oct. 18	91.48	91.91	92.06	87.99
Aa	Oct. 18	89.37	89.64	90.06	85.46
A	Oct. 18	86.38	86.65	86.91	83.91
Baa	Oct. 18	80.81	80.93	82.03	78.78
Railroad Group	Oct. 18	84.04	84.55	84.94	82.65
Public Utilities Group	Oct. 18	87.86	88.13	88.81	82.90
Industrials Group	Oct. 18	88.81	88.81	89.23	86.24
MOODY'S BOND YIELD DAILY AVERAGES:					
U. S. Government Bonds	Oct. 18	3.86	3.81	3.59	4.29
Average corporate	Oct. 18	4.64	4.64	4.59	4.87
Aaa	Oct. 18	4.31	4.31	4.27	4.56
Aa	Oct. 18	4.46	4.45	4.41	4.75
A	Oct. 18	4.68	4.69	4.64	4.87
Baa	Oct. 18	5.12	5.12	5.02	5.29
Railroad Group	Oct. 18	4.86	4.86	4.79	4.97
Public Utilities Group	Oct. 18	4.57	4.57	4.50	4.95
Industrials Group	Oct. 18	4.50	4.50	4.47	4.69
MOODY'S COMMODITY INDEX	Oct. 18	357.8	362.7	361.9	379.0
NATIONAL PAPERBOARD ASSOCIATION:					
Orders received (tons)	Oct. 8	340.449	334.749	246,054	376,005
Production (tons)	Oct. 8	314,365	324,667	237,708	331,221
Percentage of activity	Oct. 8	92	93	70	98
Unfilled orders (tons) at end of period	Oct. 8	456,370	429,110	416,175	570,331
OIL, PAINT AND DRUG REPORTER PRICE INDEX—1949 AVERAGE=100	Oct. 14	109.65	109.65	109.60	110.81
ROUND-LOT TRANSACTIONS FOR ACCOUNT OF MEMBERS, EXCEPT ODD-LOT DEALERS AND SPECIALISTS					
Transactions of specialists in stocks in which registered—					
Total purchases	Sep. 23	2,230,210	1,783,190	2,200,970	2,419,910
Short sales	Sep. 23	344,700	299,940	409,800	387,090
Other sales	Sep. 23	1,911,050	1,420,850	1,801,530	2,241,510
Total sales	Sep. 23	2,255,750	1,720,790	2,211,330	2,628,600
Other transactions initiated off the floor—					
Total purchases	Sep. 23	328,020	253,090	442,320	506,040
Short sales	Sep. 23	49,730	50,960	61,030	56,400
Other sales	Sep. 23	281,670	224,790	368,200	577,000
Total sales	Sep. 23	331,400	275,750	429,230	633,400
Other transactions initiated on the floor—					
Total purchases	Sep. 23	621,975	512,985	759,635	769,645
Short sales	Sep. 23	96.020	95,840	118,000	179,900
Other sales	Sep. 23	576,244	499,880	744,058	853,743
Total sales	Sep. 23	672,264	595,720	862,058	1,033,643
Total round-lot transactions for account of members—					
Total purchases	Sep. 23	3,180,205	2,549,265	2,402,925	3,695,595
Short sales	Sep. 23	490,450	446,740	588,830	623,390
Other sales	Sep. 23	2,768,964	2,145,520	2,913,788	3,672,253
Total sales	Sep. 23	3,259,414	2,592,260	3,502,618	4,295,643
STOCK TRANSACTIONS FOR ODD-LOT ACCOUNT OF ODD-LOT DEALERS AND SPECIALISTS ON N. Y. STOCK EXCHANGE — SECURITIES EXCHANGE COMMISSION					
Odd-lot sales by dealers (customers' purchases)—†					
Number of shares	Sep. 23	1,673,674	1,351,988	1,571,970	2,124,622
Dollar value	Sep. 23	$79,942,968	$64,519,362	$76,099,644	$111,853,527
Odd-lot purchases by dealers (customers' sales)—					
Number of orders—Customers' total sales	Sep. 23	1,459,256	1,284,281	1,582,633	1,382,595
Customers' short sales	Sep. 23	21,418	12,884	8,572	36,759
Customers' other sales	Sep. 23	1,437,838	1,271,397	1,574,061	1,345,836
Dollar value	Sep. 23	$69,937,804	$60,308,477	$72,733,287	$70,450,752
Round-lot sales by dealers—					
Number of shares—Total sales	Sep. 23	417,490	403,630	521,060	288,080
Short sales	Sep. 23	------	------	------	------
Other sales	Sep. 23	417,490	403,630	521,060	288,080
Round-lot purchases by dealers—Number of shares	Sep. 23	615,850	438,370	508,060	1,029,770
TOTAL ROUND-LOT STOCK SALES ON THE N. Y. STOCK EXCHANGE AND ROUND-LOT STOCK TRANSACTIONS FOR ACCOUNT OF MEMBERS (SHARES):					
Total round-lot sales—					
Short sales	Sep. 23	747,280	607,280	858,170	891,680
Other sales	Sep. 23	14,709,450	11,752,520	14,908,310	15,615,360
Total sales	Sep. 23	15,456,730	12,359,800	15,766,480	16,507,040
WHOLESALE PRICES, NEW SERIES — U. S. DEPT. OF LABOR — (1947-49=100):					
Commodity Group—					
All commodities	Oct. 11	119.4	119.5	119.4	119.2
Farm products	Oct. 11	88.7	88.4	87.3	86.5
Processed foods	Oct. 11	108.6	108.4	108.4	106.2
Meats	Oct. 11	97.6	96.7	96.4	95.7
All commodities other than farm and foods	Oct. 11	127.9	128.1	128.3	128.5

*Revised figure. ¶Includes 1,016,000 barrels of foreign crude runs. §Based on new annual capacity of 148,570,970 tons as of Jan. 1, 1960 as against Jan. 1, 1959 basis of 147,633,670 tons. †Number of orders not reported since introduction of Monthly Investment Plan. ‡Prime Western Zinc sold on delivered basis at centers where freight from East St. Louis exceeds one-half cent a pound.

	Latest Month	Previous Month	Year Ago
ALUMINUM (BUREAU OF MINES):			
Production of primary aluminum in the U. S. (in short tons)—Month of July	177,564	171,356	179,194
Stocks of aluminum (short tons) end of July	203,626	170,010	80,419
BUSINESS INVENTORIES — DEPT. OF COMMERCE NEW SERIES—Month of August (Millions of dollars):			
Manufacturing	$54,400	*$54,400	$51,500
Wholesale	13,000	*13,000	12,500
Retail	25,000	25,100	24,500
Total	$92,400	*$92,400	$88,500
COAL OUTPUT (BUREAU OF MINES)—Month of September:			
Bituminous coal and lignite (net tons)	34,165,000	36,155,000	32,571,000
Pennsylvania anthracite (net tons)	1,518,000	*1,637,000	1,823,000
COKE (BUREAU OF MINES)—Month of Aug.:			
Production (net tons)	3,996,650	*4,025,472	1,838,700
Oven coke (net tons)	3,923,136	3,975,089	1,788,800
Beehive coke (net tons)	73,514	50,383	49,900
Oven coke stock at end of month (net tons)	4,275,257	*4,076,190	3,943,857
COTTON GINNING (DEPT. OF COMMERCE):			
To Oct. 1	3,680,149	------	4,445,922
COTTON PRODUCTION (DEPT. OF COMMERCE): (running bales) as of Oct. 1	14,553,000	14,581,000	14,508,237
COTTON SEED AND COTTON SEED PRODUCTS—DEPT. OF COMMERCE—Month of August:			
Cotton Seed—			
Received at mills (tons)	240,000	56,400	265,500
Crushed (tons)	139,800	142,700	314,400
Stocks (tons) Aug. 31	205,000	104,800	149,300
Cake and Meal—			
Stocks (tons) Aug. 31	157,700	189,900	87,800
Produced (tons)	68,600	70,000	70,100
Shipped (tons)	100,800	82,900	98,600
Hulls—			
Stocks (tons) Aug. 31	25,500	28,700	33,100
Produced (bales)	34,000	34,300	34,600
Shipped (tons)	32,200	41,100	44,900
Linters—			
Stocks (bales) Aug. 31	79,700	95,600	109,300
Produced (bales)	44,400	41,500	45,600
Shipped (bales)	60,300	59,300	63,800
DEPARTMENT STORE SALES—FEDERAL RESERVE SYSTEM—1947-49 Average=100—Month of September:			
Adjusted for seasonal variation	142	*144	144
Without seasonal adjustment	143	*132	145
EDISON ELECTRIC INSTITUTE—			
Kilowatt-hour sales to ultimate consumers—Month of July (000's omitted)	55,320,637	54,107,950	52,722,838
Revenue from ultimate customers—Month of July	$936,843,000	$915,671,000	$886,269,000
Number of ultimate customers at July 31	58,067,000	57,965,913	56,918,243
FABRICATED STRUCTURAL STEEL (AMERICAN INSTITUTE OF STEEL CONSTRUCTION)—Month of August:			
Contracts closed (tonnage)—estimated	261,976	270,198	196,985
Shipments (tonnage)—estimated	331,932	301;249	220,420
FACTORY EARNINGS AND HOURS—WEEKLY AVERAGE ESTIMATE — U. S. DEPT. OF LABOR—Month of September:			
Weekly earnings—			
All manufacturing	$90.68	*$90.74	$89.47
Durable goods	98.00	*97.60	96.70
Nondurable goods	81.51	*81.77	80.79
Hours—			
All manufacturing	39.6	*39.8	40.3
Durable goods	40.0	*40.0	40.8
Nondurable goods	39.0	*39.5	39.8
Hourly earnings—			
All manufacturing	$2.29	*$2.28	$2.22
Durable goods	2.45	*2.44	2.37
Nondurable goods	2.09	*2.07	2.03
INTERSTATE COMMERCE COMMISSION—			
Index of Railway Employment at middle of September (1947-49=100)	59.2	60.4	61.5
MANUFACTURERS' INVENTORIES AND SALES Month of August (millions of dollars):			
Inventories—			
Durables	$31,700	$31,700	$29,700
Nondurables	22,700	*22,700	21,800
Total	$54,400	*$54,400	$51,500
Sales	30,700	*27,900	28,600
MOODY'S WEIGHTED AVERAGE YIELD—100 COMMON STOCKS—Month of September:			
Industrials (125)	3.64	3.41	3.13
Railroads (25)	6.18	5.72	4.77
Utilities (not incl. Amer. Tel. & Tel.) (214)	3.83	3.64	4.00
Banks (15)	4.02	4.00	3.73
Insurance (10)	3.08	2.87	2.97
Average (200)	3.73	3.50	3.34
MOTOR VEHICLE FACTORY SALES FROM PLANTS IN U. S.—AUTOMOBILE MANUFACTURERS' ASSN.—Month of September:			
Total number of vehicles	487,036	372,095	338,763
Number of passenger cars	408,025	307,455	258,220
Number of motor trucks	78,651	64,335	80,423
Number of motor coaches	360	305	120
PORTLAND CEMENT (BUREAU OF MINES)—Month of August:			
Production (barrels)	33,270,000	31,982,000	34,800,000
Shipments from mills (barrels)	36,387,000	32,674,000	36,836,000
Stocks at end of month (barrels)	33,258,000	36,685,000	28,102,000
Capacity used (per cent)	92	88	100
RAILROAD EARNINGS CLASS I ROADS (ASSOCIATION OF AMERICAN RRs.)—Month of July:			
Total operating revenues	$808,971,482	$759,077,945	$774,309,637
Total operating expenses	646,897,617	628,732,537	629,353,297
Taxes	84,784,280	74,452,589	78,526,852
Net railway operating before charges	44,386,805	23,984,146	39,826,678
Net income after charges (estimated)	30,000,000	11,000,000	25,000,000
TIN—CONSUMPTION OF PRIMARY AND SECONDARY TIN IN THE UNITED STATES (BUREAU OF MINES)—Month of July (in long tons):			
Stocks in beginning of period	31,110	32,325	33,745
Receipts	6,620	6,620	5,705
Supply	37,730	38,945	39,450
Stocks at end of period	31,105	31,110	33,745
Total processed	6,625	7,835	5,705
Intercompany scrap transactions	105	150	105
Consumed in manufacturing	6,520	7,685	5,600
Primary	4,655	5,220	3,210
‡Secondary	1,865	2,465	2,390
UNITED STATES EXPORTS AND IMPORTS BUREAU OF CENSUS—Month of August (000's omitted):			
Exports	$1,610,500	$1,699,200	$1,396,600
Imports	1,228,100	1,155,000	1,189,100

‡Includes tin content of imported tin-based alloys. *Revised figure.

Securities Now in Registration

★ INDICATES ADDITIONS SINCE PREVIOUS ISSUE
• ITEMS REVISED

NOTE—Because of the large number of issues awaiting processing by the SEC, it is becoming increasingly difficult to predict offering dates with a high degree of accuracy. The dates shown in the index and in the accompanying detailed items reflect the expectations of the underwriter but are not, in general, to be considered as firm offering dates.

ACR Elecronics Corp.
Sept. 28, 1960 filed 150,000 shares of common stock, 75,000 series I common stock purchase warrants, and 75,000 series II common stock purchase warrants, to be offered in units, each unit to consist of two common shares, one series I 5-year purchase warrant, and one 5-year series II warrant. Warrants are exercisable initially at $2 per share. **Price**—To be supplied by amendment. **Proceeds** — For salaries of additional personnel, liquidation of debt, research, and the balance for working capital. **Office**—551 W. 22nd Street, New York City. **Underwriters**—Globus, Inc. and Ross, Lyon & Co., Inc., both of New York City.

★ Adirondack Industries, Inc.
Oct. 13, 1960 filed 120,000 shares of common stock (par $1), of which 50,000 shares will be offered for the account of the issuing company and 70,000 shares, representing outstanding stock, will be offered for the Estate of Edward D. McLaughlin, company founder. **Price**—To be supplied by amendment. **Business**—The company, for whom this represents the first public offering, makes baseball bats and bowling pins. **Proceeds**—For general corporate purposes. **Office** — Dolgeville, N. Y. **Underwriter**—Shearson, Hammill & Co., New York City (managing). **Offering**—Expected in late November.

Adler Built Industries, Inc.
Aug. 29, 1960 (letter of notification) 150,000 shares of common stock (par 10 cents). **Price**—$2 per share. **Proceeds** — For acquisition and development of land and operating capital. **Office**—1201 W. 66th St., Hialeah, Fla. **Underwriter** — American Diversified Securities, Inc., Washington, D. C.

Aircraft Armaments, Inc. (11/18)
Sept. 26, 1960 filed 265,500 shares of common stock, to be offered by United Industrial Corp. to holders of UIC common on the basis of one Aircraft share for each 8 UIC shares held. **Price**—To be supplied by amendment. **Business**—The issuer, wholly owned by UIC, is engaged in applied research and development in various technical fields and works largely for the Department of Defense. **Office**—Cockeysville, Md. **Underwriter**—Eastman Dillon, Union Securities & Co., New York City (managing).

Alarm Device Manufacturing Co. Inc. (11/1-4)
Sept. 19, 1960 filed 130,500 shares of outstanding common stock (par 10 cents). **Price** — $4 per share. **Business**—Manufacture and sale of burglar and fire alarm equipment. **Proceeds**—To selling stockholders. **Office**—1665 St. Marks Ave., Brooklyn, N. Y. **Underwriter**—Golkin, Bomback & Co., New York, N. Y.

All American Engineering Co. (11/15)
Sept. 27, 1960 filed 85,918 shares of common stock (par 10 cents), to be offered to holders of the outstanding common on the basis of one new share for each four shares held. **Price**—To be supplied by amendment. **Business**—The firm is engaged primarily, under government-sponsored contracts, in research, development, and manufacturing activities related to the aircraft, satellite, and missile fields. **Proceeds** — For general corporate purposes. **Office**—Du Pont Airport, Wilmington, Del. **Underwriter**—Drexel & Co., Philadelphia, Pa. (managing).

Allegri-Tech, Inc. (11/7-11)
Sept. 21, 1960 filed 100,000 shares of 50c par common stock. **Price** — $6 per share. **Business** — The company makes and sells printed circuitry and modules. **Proceeds** — To pay bank notes and other indebtedness incurred for equipment, to finance leasehold improvements, and for research and development expenses. **Office** — 141 River Road, Nutley, N. J. **Underwriter**—Myron A. Lomasney & Co., New York City.

Allied Bowling Centers, Inc.
Dec. 29 filed $750,000 of sinking fund debentures and 300,000 shares of capital stock, to be offered in units of $75 principal amount of debentures and 30 shares of stock. **Price**—$108 per unit. **Proceeds**—For general corporate purposes. **Office**—Arlington, Texas. **Underwriter**—Rauscher, Pierce & Co., Inc., Dallas. **Note** — This offering has been postponed.

Allied Maintenance Corp. (11/2)
Sept. 15, 1960 filed 152,500 shares of capital stock (par $3.75). **Price**—To be supplied by amendment. **Business**—Building maintenance and the consolidated operation of ground services for the air transport industry. **Proceeds** — To members of the Fraad family, selling stockholders. **Office** — 350 Fifth Ave., New York City. **Underwriter**—Wertheim & Co., New York City.

★ Alloys Unlimited, Inc.
Oct. 14, 1960 filed 236,000 shares of common stock (par 10¢), of which 75,000 shares are to be offered for the account of the company and 161,000 shares for the account of the present holders thereof. **Price**—To be supplied by amendment. **Business**—The company manufactures certain components for such semiconductor devices

Continued on page 53

NEW ISSUE CALENDAR

October 21 (Friday)

Bowling Investments, Inc. — Common
(Copley & Co.) $300,000

Florida Hillsboro Corp. — Units
(P. W. Brooks & Co., Inc. and Lee Higginson Corp.) $1,150,000

Minitronics, Inc. — Common
(David Barnes & Co., Inc.) $300,000

October 24 (Monday)

Aluminum Insulating Co., Inc. — Common
(Dean Samitas & Co., Inc.) $225,000

American Recreation Centers, Inc. — Debentures
(York & Co.) $600,000

American Recreation Centers, Inc. — Capital
(York & Co.) 60,000 shares

Automatic Radio Mfg. Co., Inc. — Common
(Paine, Webber, Jackson & Curtis) 623,750 shares

Cavitron Corp. — Common
(No underwriting) $600,000

Commonwealth Edison Co. — Common
(First Boston Corp. and Glore, Forgan & Co.) 3,850 shares

Cormany Corp. — Common
(Jacoby, Daigle & Werner, Inc.) $227,500

Del Electronics Corp. — Common
(Standard Securities Corp. and Bruno-Lenchner, Inc.) $400,000

Dubrow Electronic Industries, Inc. — Common
(Woodcock, Moyer, Fricke & French, Inc.) $300,000

Electronics, Missiles & Communications, Inc. — Com.
(Frank Karasik & Co., Inc.) $300,000

Heldor Electronics Manufacturing Corp. — Common
(S. Schramm & Co., Inc.) $300,000

Horizon Land Corp. — Units
(Ross, Lyon & Co., Inc.) $1,500,000

Interstate Vending Co. — Common
(Bear, Stearns & Co.) 285,000 shares

Kings Electronics Co., Inc. — Units
(Ross, Lyon & Co., Inc.; Globus, Inc.; Reich & Co.; Harold C. Shore & Co. and Godfrey, Hamilton, Magnus & Co.) $800,000

Kirk (C. F.) Laboratories, Inc. — Common
(Schrijver & Co.) $299,700

Koeller Air Products, Inc. — Units
(Lloyd Securities) $200,000

Lawndale Industries, Inc. — Class A
(Paul C. Kimball & Co.) $500,000

Lawter Chemicals, Inc. — Capital
(Blunt Ellis & Simmons) 70,000 shares

Metcom, Inc. — Common
(Hayden, Stone & Co.) 100,000 shares

Mid-States Business Capital Corp. — Common
(Carl M. Loeb, Rhoades & Co. and Scherck, Richter Co.) $8,250,000

Munsingwear, Inc. — Conv. Debentures
(Goldman, Sachs & Co. and Piper, Jaffray & Hopwood) $3,000,000

National Film Studios, Inc. — Common
(R. Baruch & Co.) $300,000

Omega Precision, Inc. — Common
(Pacific Coast Securities Co. and George, O'Neill & Co., Inc.) $300,000

Paddington Corp. — Common
(Lee Higginson Corp. and H. Hentz & Co.) 36,498 shares

Portland Turf Association — Bonds
(General Investing Corp.) $300,000

Preferred Risk Life Assurance Co. — Common
(Preferred Investments, Inc.) $1,500,000

Premier Microwave Corp. — Common
(Van Alstyne, Noel & Co.) $600,000

Robosonics, Inc. — Common
(Mandell & Kahn, Inc.) $900,000

Scantlin Electronics, Inc. — Common
(Carl M. Loeb, Rhoades & Co. and Paine, Webber, Jackson & Curtis) 275,000 shares

Scott, Foresman & Co. — Common
(Smith, Barney & Co. Inc.) 683,000 shares

Stephan Co. — Common
(D. Gleich & Co.) $600,000

Summers Gyroscope Co. — Common
(No underwriting) $4,802,412.75

Techni Electronics, Inc. — Common
(United Planning Corp.) $225,000

Transitubes Electronics, Inc. — Common
(Blaha & Co., Inc.) $200,000

Waterman Products Co., Inc. — Common
(Stroud & Co., Inc.) $100,000

White Avionics Corp. — Common
(Planned Investing Corp. and Fidelity Investors Service) $300,000

October 25 (Tuesday)

American Telephone & Telegraph Co. — Debentures
(Bids 11:30 a.m. N. Y. time) $250,000,000

Associated Sales Analysts, Inc. — Class A Stock
(Amos Treat & Co., Inc.) $367,500

Bzura Chemical Co., Inc. — Common
(P. W. Brooks & Co., Inc. and Lee Higginson Corp.) 450,000 shares

Electronics International Capital Ltd. — Common
(Bear, Stearns & Co.) $25,000,000

Green Shoe Manufacturing Co. — Common
(Paine, Webber, Jackson & Curtis and F. S. Moseley & Co.) 420,000 shares

Indian Head Mills, Inc. — Common
(Blair & Co. and F. S. Smithers & Co.) 60,000 shares

Polymer Corp. — Common
(White, Weld & Co. and A. G. Edwards & Sons) 20,000 shares

Polymer Corp. — Conv. Debentures
(White Weld & Co. and A. G. Edwards & Sons) $2,750,000

Transitron Electronics Corp. — Common
(Merrill Lynch, Pierce, Fenner & Smith, Inc.) 1,250,000 shares

Welded Tube Co. of America — Common
(H. Hentz & Co.) $840,000

October 26 (Wednesday)

Champion Spark Plug Co. — Common
(Blyth & Co., Inc.; Glore, Forgan & Co.; Hornblower & Weeks and Merrill Lynch, Pierce, Fenner & Smith, Inc.) 750,000 shares

Daystrom, Inc. — Debentures
(Goldman, Sachs & Co. and R. W. Pressprich & Co.) $10,000,000

Major League Bowling & Recreation, Inc. — Com.
(Eastman Dillon, Union Securities & Co. and J. C. Wheat & Co.) 150,000 shares

Southern Nevada Power Co. — Bonds
(Bids 11:00 a.m. EDT) $5,000,000

October 27 (Thursday)

Chesapeake & Ohio Ry. — Equip. Trust Ctfs.
(Bids noon-Cleveland time) $3,750,000

Electro-Science Investors, Inc. — Common
(Kidder, Peabody & Co. and Rauscher, Pierce & Co., Inc.) 772,000 shares

Riegel Paper Corp. — Debentures
(Morgan Stanley & Co.) $10,000,000

October 28 (Friday)

Automatic Canteen Co. of America — Common
(Glore, Forgan & Co.) 524,000 shares

Industrial Hose & Rubber Co., Inc. — Common
(Schrijver & Co.) $500,000

October 31 (Monday)

Cyclomatics, Inc. — Common
(General Securities Co.) $250,000

Dalto Corp. — Common
(Offering to stockholders—underwritten by Sterling, Grace & Co.) $533,021.25

Deere (John) Credit Co. — Debentures
(Harriman Ripley & Co., Inc.) $50,000,000

Electronic & Missile Facilities, Inc. — Common
(Hardy & Co.) 260,000 shares

Frouge Corp. — Common
(Van Alstyne, Noel & Co.) 175,000 shares

Frouge Corp. — Debentures
(Van Alstyne, Noel & Co.) $1,500,000

Metropolitan Telecommunications Corp. — Common
(M. L. Lee & Co., Inc. and Milton D. Blauner & Co., Inc.) 25,000 shares

Metropolitan Telecommunications Corp. — Debens.
(M. L. Lee & Co., Inc. and Milton D. Blauner & Co., Inc.) $600,000

Model Finance Service, Inc. — Debentures
(Paul C. Kimball & Co.) $1,000,000

Model Finance Service, Inc. — Preferred
(Paul C. Kimball & Co.) 100,000 shares

Navajo Freight Lines, Inc. — Common
(Hayden, Stone & Co. and Lowell, Murphy & Co.) 250,000 shares

Nixon-Baldwin Chemicals, Inc. — Units
(Lee Higginson Corp. and P. W. Brooks & Co., Inc.) $4,000,000

Simon Hardware Co. — Debentures
(J. S. Strauss & Co.) $900,000

Simon Hardware Co. — Common
(J. S. Strauss & Co.) 70,000 shares

Stancil-Hoffman Corp. — Capital
(Pacific Coast Securities Co.) $300,000

Standard Instrument Corp. — Common
(Havener Securities Corp.) 50,000 shares

Still-Man Manufacturing Corp. — Class A
(Francis I. duPont & Co.) 150,000 shares

Tele-Tronics Co. — Common
(Woodcock, Moyer, Fricke & French, Inc.) $300,000

Tenax, Inc. — Debentures
(Myron A. Lomasney & Co.) $1,500,000

Ultra-Sonic Precision Co. Inc. — Common
(Merritt, Vickers, Inc.) $200,000

United Gas Corp. — Bonds
(Bids 11:30 a.m. N. Y. time) $30,000,000

United Gas Corp. — Debentures
(Bids 11:30 a.m. N. Y. time) $30,000,000

November 1 (Tuesday)

Alarm Device Manufacturing Co. Inc. — Common
(Golkin, Bomback & Co.) $522,000

Berkshire Frocks, Inc. — Common
(Blair & Co. and Richter & Co.) 120,000 shares

Brothers Chemical Co. — Common
(Sandkuhl & Company, Inc.) $300,000

Canaveral International Corp. — Common
(S. Schramm & Co., Inc.) 300,000 shares

Chemtronic Corp. — Common
(Jay W. Kaufman & Co.) $400,000

Coral Aggregates Corp. — Common
(Peter Morgan & Co. and Robinson & Co., Inc.) $400,000

Dorsey Corp. — Debentures
(Blair & Co., Inc.) $3,500,000

Dorsey Corp. — Common
(Blair & Co., Inc.) 350,000 shares

Federal Street Fund, Inc. — Common
(Goldman, Sachs & Co.) $20,000,000

Fotochrome, Inc. — Common
(Shearson, Hammill & Co. and Emanuel Deetjen & Co.) 220,000 shares

Gremar Manufacturing Co., Inc. — Common
(Milton D. Blauner & Co., Inc. and M. L. Lee Co., Inc.) 100,000 shares

Kingsport Press, Inc. — Common
(Lehman Brothers and W. H. Newbold's Sons & Co.) 125,000 shares

Nationwide Tabulating Corp. — Common
(Milton D. Blauner & Co., Inc.) $200,000

Nissen Trampoline Co.________________**Common**
(Jesup & Lamont) 85,000 shares

Pacific Gas & Electric Co.________________**Bonds**
(Bids to be received) $60,000,000

Seaboard & Western Airlines, Inc.________**Common**
(Offering to stockholders—underwritten by Carl M. Loeb, Rhoades & Co.) 704,160 shares

Simplex Wire & Cable Co._______________**Capital**
(Paine, Webber, Jackson & Curtis) 118,000 shares

Weatherford (R. V.) Co.________________**Capital**
(Blyth & Co., Inc.) 180,000 shares

Webb (Del E.) Corp.___________________**Units**
(Lehman Brothers) 160,000

November 2 (Wednesday)

Allied Maintenance Corp._______________**Capital**
(Wertheim & Co.) 152,500 shares

Jahncke Service, Inc.__________________**Common**
(Hemphill, Noyes & Co.) 156,200 shares

November 3 (Thursday)

Georgia Power Co.____________________**Bonds**
(Bids to be invited) $12,000,000

Idaho Power Co._______________________**Common**
(No underwriting) 100,000 shares

November 7 (Monday)

Allegri-Tech, Inc.______________________**Common**
(Myron A. Lomasney & Co.) $600,000

Baruch (R.) & Co._____________________**Common**
(R. Baruch & Co.) $200,000

Does-More Products Corp.______________**Common**
(H. L. Wright & Co., Inc.) $300,000

Foremost Industries, Inc._______________**Common**
(Richard Bruce & Co., Inc.) $300,000

Gulf Resources, Inc.___________________**Common**
(Amos Treat & Co., Inc.) $1,120,000

International Mosaic Corp._______________**Common**
(B. G. Harris & Co., Inc.) $279,999

Mohawk Insurance Co.__________________**Common**
(R. F. Dowd & Co., Inc.) $900,000

Resisto Chemical, Inc.__________________**Common**
(Amos Treat & Co., Inc.) $500,000

Rotron Manufacturing Co., Inc.___________**Common**
(W. E. Hutton & Co.) 130,000 shares

Telephone & Electronics Corp.____________**Common**
(Equity Securities Co.) $264,900

Willer Color Television System, Inc.______**Common**
(Equity Securities Co.) $242,670

Wood-Mosaic Corp. ____________________**Common**
(Cruttenden, Podesta & Co. and Berwyn T. Moore & Co., Inc.) 30,000 shares

November 8 (Tuesday)

Radar Measurements Corp._______________**Common**
(Blaha & Co., Inc.) $299,950

November 10 (Thursday)

Telex, Inc. ____________________________**Common**
(Lee Higginson Corp.) 196,000 shares

November 14 (Monday)

Amacorp Industrial Leasing Co., Inc._____**Common**
(McDonnell & Co., Inc.) 170,000 shares

First Connecticut Small Business Investment Co. ______________________________**Common**
(Hill, Darlington & Grimm) $2,250,000

Gay (Connie B.) Broadcasting Corp._____**Common**
(Hill, Darlington & Co.) 130,000 shares

General Automation Corp.______________**Common**
(Bertner Bros. and Earl Edden Co.) $200,000

Geophysics Corp. of America____________**Common**
(C. E. Unterberg, Towbin Co.) 50,000 shares

Mary Carter Paint Co.___________________**Common**
(Lee Higginson Corp.) 375,000 shares

Sexton (John) & Co.____________________**Common**
(Hornblower & Weeks) 200,000 shares

Standard Pressed Steel Co.______________**Common**
(Kidder, Peabody & Co.) 112,760 shares

Sulray, Inc. ___________________________**Common**
(J. A. Winston & Co., Inc. and Netherlands Securities Co., Inc.) $300,000

Texas Butadiene & Chemical Corp.________**Common**
(Blyth & Co., Inc. and Lehman Brothers) 635,800 shares

Vacudyne Associates, Inc._______________**Common**
(Kenneth Kass; H. S. Simmons & Co., Inc. and B. N. Rubin & Co.) $200,000

Zurn Industries, Inc.____________________**Common**
(Lee Higginson Corp.) 200,000 shares

November 15 (Tuesday)

All American Engineering Co.____________**Common**
Offering to stockholders—underwritten by Drexel & Co.) 85,918 shares

Davega Stores Corp.__________________**Debentures**
(Amos Treat & Co., Inc.) $1,500,000

Drexel Dynamics Corp._________________**Common**
(Warner, Jennings, Mandel & Longstreth) $600,000

Idaho Power Co.______________________________**Bonds**
(Bids to be received) $15,000,000

International Safflower Corp.___________**Common**
(Copley & Co.) $300,000

Keyes Fibre Co.______________________**Debentures**
(Offering to stockholders—underwritten by Coffin & Burr, Inc.) $10,000,000

New Jersey Bell Telephone Co.________**Debentures**
(Bids to be received) $20,000,000

Stop & Shop, Inc.______________________**Common**
(Lehman Brothers and Merrill Lynch, Pierce, Fenner & Smith, Inc.) 625,000 shares

United Bowling Centers, Inc.____________**Common**
(Emanuel, Deetjen & Co and Hill, Darlington & Co.) 200,000 shares

November 16 (Wednesday)

Franklin Discount Co.________________**Debentures**
(No underwriting) $300,000

Franklin Discount Co.___________________________**Notes**
(No underwriting) $300,000

Matheson Co., Inc._____________________**Common**
(White, Weld & Co., Inc.) 160,000 shares

Merrimack Essex Electric Co.____________**Preferred**
(Bids to be received) $7,500,000

Wisconsin Electric Power Co.________________**Bonds**
(Bids 11:00 a.m.) $30,000,000

November 17 (Thursday)

Public Service Co. of New Hampshire______**Bonds**
(Bids 11:00 a.m. EST) $6,000,000

November 18 (Friday)

Aircraft Armaments, Inc._________________**Common**
(Offering to UIC stockholders—underwritten by Eastman Dillon, Union Securities & Co.) 265,500 shares

November 21 (Monday)

Carolina Metal Products Corp.____________**Common**
(Arnold, Wilkens & Co.) $500,000

Globe Security Systems, Inc._____________**Common**
(Drexel & Co.) 100,000 shares

November 22 (Tuesday)

Berman Leasing Co.____________________**Common**
(Eastman Dillon, Union Securities & Co.) 430,000 shares

Consolidated Edison Co. of New York______**Bonds**
(Bids to be received) $75,000,000

November 28 (Monday)

Andersen Laboratories, Inc.______________**Common**
(Putnam & Co.) 150,000 shares

Living Aluminum, Inc.___________________**Common**
(Arnold Malkan & Co., Inc. and Sulco Securities, Inc.) $300,000

Madigan Electronic Corp._________________**Common**
(McLaughlin, Kaufman & Co.) $467,500

Pik-Quik, Inc. __________________________**Common**
(A. C. Allyn & Co., Inc.) 550,000 shares

November 29 (Tuesday)

Ginn & Co._____________________________**Common**
(White, Weld & Co.) 817,391 shares

December 1 (Thursday)

Speedry Chemical Products, Inc.________**Debentures**
(S. D. Fuller & Co.) $2,000,000

Speedry Chemical Products, Inc.__________**Common**
(S. D. Fuller & Co.) 60,000 shares

December 5 (Monday)

Southern Bell Telephone & Telegraph Co.__**Debs.**
(Bids to be received) $75,000,000

December 6 (Tuesday)

Central Vermont Public Service Corp.____**Preferred**
(Hallgarten & Co.) 60,000 shares

Northern States Power Co. (Minn.)________**Bonds**
(Bids to be invited) $35,000,000

December 12 (Monday)

Consumers Power Co.__________________**Bonds**
(Bids 11:30 a.m. EST) $35,000,000

December 13 (Tuesday)

Public Service Electric & Gas Co.________**Preferred**
(Merrill Lynch, Pierce, Fenner & Smith, Inc.) $25,000,000

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as silicon and germanium transistors, diodes and rectifiers. **Proceeds**—For general corporate purposes including debt reduction. **Office**—21-01 43rd Ave., Long Island City, N. Y. **Underwriters**—Newburger, Loeb & Co. and C. E. Unterberg, Towbin Co., New York, N. Y. **Offering**—Expected in late November.

● **Aluminum Insulating Co., Inc. (10/24-28)**
Aug. 22, 1960 (letter of notification) 225,000 shares of common stock (par 10 cents). **Price**—$1 per share. **Proceeds**—For retirement of a bank loan, selling, advertising, promotion and for working capital. **Office**—558 W. 18th St., Hialeah, Fla. **Underwriter**—Dean Samitas & Co., Inc., 111 Broadway, New York City.

● **Amacorp Industrial Leasing Co., Inc. (11/14-18)**
Sept. 9, 1960 filed 170,000 shares of common stock (no par), of which 40,000 shares, representing outstanding stock, will be offered for the account of a selling stockholder, and 130,000 shares will be offered for the account of the issuing company. **Price** — To be supplied by amendment. **Proceeds**—For general corporate purposes. **Business**—The financing of industrial and office equipment through the purchase and leasing of such property to its customers. **Office**—Alhambra, Calif. **Underwriter**—McDonnell & Co., Inc., New York City (managing).

American Consolidated Mfg. Co., Inc.
Sept. 27, 1960 (letter of notification) 39,500 shares of common stock (par 33⅓ cents). **Price** — $5 per share. **Proceeds** — For advertising and promotion and accounts receivable. **Office**—835 N. 19th St., Philadelphia, Pa. **Underwriter**—Martin, Monaghan & Mulhern, Inc., Ardmore, Pa.

American Income Life Insurance Co.
Aug. 26, 1960 filed 90,174 shares of common stock, to be offered to the holders of the outstanding common on the basis of one new share for each 5⅓ shares held. **Price**—To be supplied by amendment. **Proceeds**—For general corporate purposes. **Office**—5th and Franklin, Waco, Texas. **Underwriters**—Ladenburg, Thalmann & Co. and Lee Higginson Corp., both of New York City (managing). **Note**—This stock is not qualified for sale in New York.

American Mortgage Investment Corp.
April 29 filed $1,800,000 of 4% 20-year collateral trust bonds and 1,566,000 shares of class A non-voting common stock. It is proposed that these securities will be offered for public sale in units (2,000) known as Investment Certificates, each representing $900 of bonds and 783 shares of stock. **Price**—$1,800 per unit. **Proceeds**—To be used principally to originate mortgage loans and carry them until market conditions are favorable for disposition. **Office** — 210 Center St., Little Rock, Ark. **Underwriter**—Amico, Inc.

American Playlands Corp.
Aug. 22, 1960 filed 300,000 shares of common stock. **Price**—$4 per share. **Business**—The company intends to operate an amusement and recreation park on 196 acres of land near Liberty, N. Y. **Proceeds**—For development of the land. **Office**—55 South Main St., Liberty, N. Y. **Underwriter**—M. W. Janis Co., Inc., New York City.

● **American Recreation Centers Inc. (10/24)**
Aug. 15, 1960 filed $600,000 of 7% sinking fund debentures, due September, 1972 (with attached warrants for the purchase of 150 shares of stock for each $1,000 debenture purchased), and 60,000 shares of capital stock. **Price** — To be supplied by amendment. **Business** — The company is engaged, through subsidiaries, in the operation of four bowling centers, and in the sale of bowling accessories. **Proceeds** — Retirement of indebtedness, modernization of facilities, and for general corporate purposes. **Office**—1721 Eastern Ave., Sacramento, Calif. **Underwriter**—York & Co. of San Francisco, Calif.

American Recreational Development Corp.
Sept. 7, 1960 (letter of notification) 100,000 shares of class A common stock (par 10 cents). **Price** — $3 per share. **Proceeds**—For expenses in constructing and operating recreation centers. **Office** — 210 E. Lexington St., Baltimore 2, Md. **Underwriter**—Investment Securities Co. of Maryland, Baltimore, Md.

American & St. Lawrence Seaway Land Co.
Jan. 27 filed 538,000 shares of common stock, of which 350,000 shares are to be publicly offered. **Price**—$3 per share. **Proceeds**—To pay off mortgages, develop and improve properties, and acquire additional real estate. **Office**—60 E. 42nd St., New York City. **Underwriter**—A. J. Gabriel Co., Inc., New York City.

American Telephone & Telegraph Co. (10/25)
Sept. 30, 1960 filed $250,000,000 of 32-year debentures due 1992. **Proceeds**—For improvement and expansion of Bell Telephone services. **Office** — 195 Broadway, New York City. **Underwriter**—To be determined by competitive bidding. Probable bidders: Morgan Stanley & Co., and The First Boston Corp. and Halsey, Stuart & Co. Inc. (jointly). **Bids**—Expected to be received on Oct. 25 at room 2315, 195 Broadway, New York City, up to 11:30 a.m., N. Y. Time. **Information Meeting** — Scheduled for Oct. 20 at 2:30 p.m., 195 Broadway, New York City.

American Title Insurance Co.
July 27, 1960 filed 301,884 shares of common stock (par $2), of which 150,000 shares are to be publicly offered for the account of the issuing company and the balance is to be used in connection with exchange offers for the stock of similarly engaged companies. **Price**—To be supplied by amendment. **Proceeds**—For general corporate purposes, including possible future acquisitions. **Office**—901 N. E. 2nd Ave., Miami, Fla. **Underwriters**—None.

Andersen Laboratories, Inc. (11/28-12/2)
Sept. 28, 1960 filed 150,000 shares of common stock, of which 40,000 shares are to be offered for the account of the issuing company and 110,000 shares, representing outstanding stock, are to be offered for the account of the present holders thereof. **Price** — To be supplied by amendment. **Proceeds**—To reduce indebtedness, buy new tools, and add to working capital. **Office** — Hartford, Conn. **Underwriter** — Putnam & Co., Hartford, Conn. (managing).

● **Arnoux Corp.**
May 23 filed 133,000 shares of common stock. **Price**—To be supplied by amendment. **Proceeds** — For general corporate purposes and working capital. **Office**—11924 W. Washington Blvd., Los Angeles, Calif. **Underwriter**—Shearson, Hammill & Co., New York. **Offering** — Expected sometime in November.

● **Associated Sales Analysts, Inc. (10/25-26)**
Aug. 15, 1960, filed 105,000 shares of outstanding class A stock (par 10 cents). **Price**—$3.50 per share. **Business**—The company is engaged in the electronic data processing and machine accounting service business. **Proceeds** — To selling stockholders. **Office** — 220 W. 42nd Street, N. Y. C. **Underwriter**—Amos Treat & Co., Inc., New York City.

● **Automatic Canteen Co. of America (10/28)**
Sept. 1, 1960 filed 524,000 shares of common stock, to be offered to holders of the outstanding common on the basis of one new share for each 10 shares held of record Oct. 28 with rights to expire on Nov. 14. **Price**—To be supplied by amendment. **Proceeds**—$9,500,000 to pay for the acquisition of Commercial Discount Corp., with the balance for general corporate purposes. **Office**—Chicago, Ill. **Underwriter**—Glore, Forgan & Co., New York City (managing).

● **Automatic Radio Mfg. Co., Inc. (10/24-28)**
Sept. 9, 1960, filed 623,750 shares of common stock (par $1), of which 150,000 shares will be offered for the account of the issuing company and 473,750 shares, representing outstanding stock, will be offered for the account of the present holders thereof. **Price** — To be supplied by amendment. **Business**—The firm makes and sells car and portable radios. **Proceeds**—For expansion, working capital, and possible acquisitions. **Office**—122 Brookline Ave., Boston, Mass. **Underwriter** — Paine, Webber, Jackson & Curtis, New York City (managing).

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Autosonics, Inc.
July 29, 1960 (letter of notification) 135,000 shares of common stock (par five cents). **Price**—$2 per share. **Proceeds**—For production and research for equipment, inventory, building and working capital. **Office**—42 S. 15th St., Philadelphia, Pa. **Underwriter**—Robert M. Harris & Co., Inc., Transportation Bldg., Philadelphia, Pa.

Avionics Investing Corp.
July 12, 1960 filed 250,000 shares of capital stock (par $1). **Price** — $10 per share. **Business** — The issuer is a closed - end non - diversified management investment company. **Proceeds**—For investments in small business concerns in avionics and related fields, with a proposed limit of $800,000 to be invested in any one such enterprise. **Office** — 1000 - 16th Street, N. W., Washington, D. C. **Underwriter**—S. D. Fuller & Co., New York City.

Bal-Tex Oil Co., Inc.
June 17, 1960 (letter of notification) 300,000 shares of class A common stock. **Price**—At par ($1 per share). **Proceeds**—For expenses for development of oil properties. **Office**—Suite 1150, First National Bank Bldg., Denver, Colo. **Underwriter**—L. A. Huey & Co., Denver, Colo.

● **Baruch (R.) & Co. (11/7-10)**
Sept. 20, 1960 (letter of notification) 100,000 shares of common stock (par 75 cents). **Price** — $2 per share. **Business**—The issuer is a broker-dealer with the SEC, and a member of the NASD. **Proceeds**—To take positions and maintain markets in securities, participate in underwritings, and the balance for working capital. **Office**—1518 K St., N. W., Washington, D. C. **Underwriter**—Same.

★ **Basic, Inc.**
Oct. 14, 1960 filed 57,142 shares of common stock. **Price**—To be supplied by amendment. **Business**—The issuer is an integrated producer of basic refractories, materials used primarily in the construction and maintenance of the interior linings of steelmaking furnaces. **Proceeds**—To selling stockholders. **Office**—845 Hanna Bldg., Cleveland 15, Ohio. **Underwriter** — First Boston Corp., New York City (managing). **Offering**—Expected in late October.

★ **Beaver Wholesale Co., Inc.**
Oct. 3, 1960 (letter of notification) 400 shares of class B non-voting stock (par $100). **Price** — $125 per share. **Proceeds**—To finance and open additional retail outlets. **Office**—620—9th Ave., S., Seattle, Wash. **Underwriter**—None.

★ **Bell Electronic Corp.**
Oct. 12, 1960 filed 136,000 shares of common stock, of which 86,000 shares are to be offered for the account of the issuing company and 50,000 shares, representing outstanding stock, are to be offered for the account of the present holder thereof. **Price**—To be supplied by amendment. **Business**—The company, which was organized in May 1959, is a distributor of electronic parts and equipment manufactured by others. **Proceeds**—For inventory and to carry accounts receivable. **Office**—306 E. Alondra Blvd., Gardena, Calif. **Underwriter** — Schwabacher & Co., San Francisco, Calif. **Offering**—Expected some time in January.

Berkshire Frocks, Inc. (11/1-4)
Sept. 28, 1960 filed 120,000 shares of outstanding common stock (par $1). **Price**—To be supplied by amendment. **Proceeds**—To selling stockholders. **Office**—127 Forsyth St., Boston, Mass. **Underwriters**—Blair & Co. and Richter & Co., both of New York City.

Berman Leasing Co. (11/22)
Sept. 27, 1960 filed 430,000 shares of common stock (par $1), of which 200,000 shares are to be offered for the account of the issuing company and 230,000 shares, representing outstanding stock, are to be offered for the account of the present holders thereof. **Price**—To be supplied by amendment. **Business**—The leasing, reconditioning, and sale of trucks, tractors, trailers, and related equipment. **Proceeds**—For general corporate purposes, including working capital. **Office**—Pennsburg, Pa. **Underwriter** — Eastman Dillon, Union Securities & Co., New York City (managing).

● **Bowling Investments Inc. (10/21)**
Aug. 17, 1960 (letter of notification) 150,000 shares of common stock (par 10 cents). **Price** — $2 per share. **Proceeds**—For purchase of real estate, construction of a bowling building, purchase or lease of equipment and restaurant equipment. **Office**—1747 E. 2nd St., Casper, Wyo. **Underwriter**—Copley & Co., Colorado Springs, Colo.

Bridgeport Gas Co.
Sept. 2, 1960 filed 50,000 shares of common stock, to be offered to the holders of the outstanding common on the basis of one new share for each six shares held. **Price**—$27.50 per share. **Proceeds**—To be applied to the payment of bank loans incurred for property additions which are expected to approximate $1,800,000 in 1960. **Office**—815 Main St., Bridgeport, Conn. **Underwriter**—None. **Offering**—Expected in October.

● **Brothers Chemical Co. (11/1-5)**
Aug. 9, 1960 (letter of notification) 100,000 shares of class A common stock (par 10 cents). **Price** — $3 per share. **Business**—Manufacturing chemicals. **Proceeds**—For general corporate purposes. **Office** — 575 Forest Street, Orange, N. J. **Underwriters**—Sandkuhl & Company, Inc., Newark, N. J. and New York City and Lloyd Haas Co., of New York City.

Business Finance Corp.
Aug. 5, 1960 (letter of notification) 195,000 shares of common stock (par 20 cents). **Price** — $1.50 per share. **Proceeds**—For business expansion. **Office**—1800 E. 26th St., Little Rock, Ark. **Underwriter**—Cohn Co., Inc., 309 N. Ridge Road, Little Rock, Ark.

★ **Butte Oil of Oregon, Inc.**
Sept. 23, 1960 (letter of notification) 25,000 shares of non-assessable common stock. **Price** — At par ($1 per share). **Proceeds**—For expenses for development of oil properties. **Office** — 311 N. E. Killingsworth, Portland, Ore. **Underwriter**—None.

Buzzards Bay Gas Co., Hyannis, Mass.
June 7 filed 27,000 outstanding shares of common stock, to be offered for sale by American Business Associates. **Price** — To be supplied by amendment. **Underwriter**—Coffin & Burr, Inc., Boston, Mass. **Offering**—Indefinitely postponed.

Bzura Chemical Co., Inc. (10/25-28)
Aug. 25, 1960 filed 450,000 shares of common stock (par 25 cents), an undetermined number of which will be offered for the account of the issuing company, with the remainder to be offered for the account of the present holders thereof. **Price**—To be supplied by amendment. **Business** — The company makes and sells citric acid. **Proceeds** — To expand the capacity of the parent company, Bzura, Inc., for the manufacture of fumaric acid, and to enable it to produce itaconic acid, with the balance for working capital. **Office**—Broadway & Clark Streets, Keyport, N. J. **Underwriters**—P. W. Brooks & Co., Inc., and Lee Higginson Corp., both of New York City (managing).

★ **Cal-Ariz Oil Co.**
Oct. 3, 1960 (letter of notification) 300,000 shares of common capital stock. **Price**—At par ($1 per share). **Proceeds**—For expenses in the development of oil properties. **Address** — P. O. Box 395, Ventura, Calif. **Underwriter**—None.

★ **Campbell Chibougamau Mines, Ltd.**
Oct. 14, 1960 filed 305,392 shares of common stock to be offered to warrant holders. **Price**—$4 per share. **Business**—The company owns and works mining properties. **Proceeds**—For general funds of the company. **Office**—55 Yonge St., Toronto, Canada. **Underwriter**—None.

Canaveral International Corp. (11/1-4)
Aug. 12, 1960 filed 300,000 shares of common stock (par $1). **Price**—To be supplied by amendment. **Business**—Land sales and development. **Proceeds**—$150,000 for accounts payable, $335,000 for mortgage and interest payments, $250,000 for advertising, $250,000 for development costs and $290,000 for general working capital. **Office**—1766 Bay Road, Miami Beach, Fla. **Underwriter** — S. Schramm & Co., Inc., New York City.

Cannon Electric Co.
Sept. 26, 1960 filed 200,000 shares of outstanding common stock (par $1). **Price**—To be supplied by amendment. **Business**—Designs and makes electrical connectors and related wiring devices. **Proceeds**—To selling stockholders, two members of the Cannon family. **Office**—3208 Humboldt Street, Los Angeles, Calif. **Underwriter** — Kidder, Peabody & Co., New York City (managing). **Offering**—Expected in mid-November.

● **Carhart Photo, Inc.**
Sept. 7, 1960 (letter of notification) 150,000 shares of Class A preferred stock (par 10 cents). **Price**—$2 per share. **Proceeds**—For general corporate purposes. **Office**—105 College Ave., Rochester, N. Y. **Underwriter**—Doolittle & Co., Buffalo, N. Y. **Offering**—Expected in early November.

Caribbean American Corp.
Sept. 14, 1960 filed 459,500 shares of capital stock. **Price**—$2 per share. **Business**—Caribbean real estate. **Proceeds** — For general corporate purposes. **Office** — 615 Robinson Bldg., 15th & Chestnut Sts., Philadelphia, Pa. **Underwriter**—R. P. & R. A. Miller & Co., Inc., Philadelphia, Pa.

Caribbean & Southeastern Development Corp.
Sept. 28, 1960 filed 140,000 shares of common stock. **Price**—$5.25 per share. **Proceeds**—For investment in land in the Caribbean area, development of a site in Atlanta, Ga., and the balance for general corporate purposes. **Office**—4358 Northside Drive, N. W., Atlanta, Ga. **Underwriter**—To be supplied by amendment.

Carolina Metal Products Corp. (11/21)
Sept. 28, 1960 filed 100,000 shares of common stock (par $1). **Price**—$5 per share. **Proceeds** — Repayment of indebtedness, machinery and equipment, and the balance for working capital. **Office** — 2222 S. Blvd., Charlotte, N. C. **Underwriter**—Arnold, Wilkens & Co., New York City.

Caruso Foods, Inc.
Sept. 2, 1960 (letter of notification) 150,000 shares of common stock (par three cents). **Price** — $2 per share. **Business**—Food processing. **Proceeds**—For general corporate purposes. **Office**—2891-99 Nostrand Ave., Brooklyn, N. Y. **Underwriter** — Searight, Ahalt & O'Connor, Inc., New York, N. Y.

● **Cavitron Corp. (10/24-28)**
June 17, 1960, filed 40,000 shares of common stock. **Price** $15 per share. **Proceeds**—To finance the company's anticipated growth and for other general corporate purposes. **Office**—42-15 Crescent St., Long Island City, N. Y. **Underwriter**—None.

★ **Central Maine Power Co.**
Oct. 19, 1960 filed $6,000,000 of first and general mortgage bonds, series X, due 1990. **Proceeds**—To repay bank loans, for construction, and the balance for general corporate purposes. **Office**—Augusta, Me. **Underwriter**—To be determined by competitive bidding.

★ **Central Maine Power Co.**
Oct. 19, 1960 filed 120,000 shares of stock. **Price**—To be supplied by amendment. **Proceeds**—For the repayment of bank loans. **Office**—Augusta, Me. **Underwriters**—Harriman Ripley & Co., Inc., and First Boston Corp., both New York City, and Coffin & Burr, Boston, Mass. (managing).

★ **Central Vermont Public Service Corp. (12/6)**
Oct. 7, 1960 filed 60,000 shares of recond preferred stock convertible series A (par $50). **Price**—To be supplied by amendment. **Proceeds** — For repayment of outstanding short-term borrowings and for general corporate purposes. **Office**—77 Grove St., Rutland, Vt. **Underwriter**—Hallgarten & Co., New York, N. Y.

Century Acceptance Corp.
Sept. 29, 1960 filed $1,000,000 of 6½% junior subordinated debentures, due 1975, with five-year warrants for the purchase of 80,000 shares of regular common shares. The debentures are to be offered at par, and in units of one $500 debenture with warrants for 40 shares. **Proceeds**—For working capital and general corporate purposes. **Office**—1334 Oak Street, Kansas City, Mo. **Underwriter**—A. G. Edwards & Sons, St. Louis, Mo. (managing).

Champion Spark Plug Co. (10/26)
Sept. 23, 1960 filed 750,000 shares of outstanding common stock (par $1.66). **Price**—To be supplied by amendment. **Proceeds**—To selling stockholders, members of the Stranahan family. **Office** — Toledo, O. **Underwriters**—Blyth & Co., Inc. (handling the books), Glore, Forgan & Co., Hornblower & Weeks, Merrill Lynch, Pierce, Fenner & Smith Inc. (managing).

Chart-Pak, Inc.
Sept. 27, 1960 (letter of notification) 50,000 shares of common stock (par $1). **Price**—$6 per share. **Proceeds**—For working capital. **Office**—1 River Rd., Leeds, Mass. **Underwriter**—Schirmer, Atherton & Co., Boston, Mass.

Charter Design & Manufacturing Corp.
Sept. 20, 1960 (letter of notification) 90,000 shares of common stock (par 10 cents). **Price** — $3.30 per share. **Proceeds**—To purchase the assets of Rosander Co., pay obligations owed to banks and for working capital. **Office**—2701 14th Ave., South, Minneapolis, Minn. **Underwriter**—Jamieson & Co., Minneapolis, Minn.

● **Chemplate Corp.**
Sept. 27, 1960 (letter of notification) 26,000 shares of common stock (par $1). **Price**—$5 per share. **Proceeds**—To purchase physical assets of Kanigen division of General American Transportation Co. in California. **Address**—Los Angeles, Calif. **Underwriter** — Keon & Co., Los Angeles, Calif. **Offering**—Imminent.

● **Chemtronic Corp. (11/1-4)**
Sept. 2, 1960 filed 200,000 shares of common stock (par 10 cents). **Price**—$2 per share. **Business**—The company makes and sells miniature electrolytic capacitors. **Proceeds**—For general corporate purposes, including the repayment of bank loans and the addition of technical personnel. **Office**—309 11th Ave., South, Nashville, Tenn. **Underwriter**—Jay W. Kaufmann & Co., New York City.

Circle-The-Sights, Inc.
March 30 filed 165,000 shares of common stock and $330,000 of debentures (10-year 8% redeemable). **Price**—For stock, $1 per share; debentures in units of $1,000 at their principal amount. **Proceeds**—For initiating sight-seeing service. **Office**—Washington, D. C. **Underwriter**—None.

★ **Citizens Telephone Co.**
Oct. 11, 1960 (letter of notification) 23,000 shares of common stock (no par) of which 12,000 shares are to be offered for subscription by common stockholders on the basis of one share for each five shares presently held. **Price**—$13 per share. **Proceeds**—For expenses for operating a telephone company. **Office**—220 W. Monroe St., Decatur, Ind. **Underwriter** — City Securities Corp., Indianapolis, Ind.

Clark Cable Corp.
Aug. 23, 1960 filed 222,500 shares of common stock, of which 127,500 shares are to be offered for the account of the issuing company and 95,000 shares, representing outstanding stock, are to be offered for the account of the present holders thereof. **Price**—$4 per share. **Proceeds** — To reduce indebtedness, with the balance for working capital. **Office** — Cleveland, O. **Underwriter**—Robert L. Ferman & Co., Miami, Fla. (managing).

★ **Clinton Mining & Milling Co.**
Oct. 14, 1960 filed 700,000 shares of common stock. **Price**—50 cents per share. **Business** — Mining and milling metals. **Proceeds**—For exploration and drilling, purchase of machinery, and related activities. **Address**—Clinton, Mont. **Underwriter**—None.

Coastal Acceptance Corp.
Oct. 3, 1960 (letter of notification) $100,000 of 10-year 7% registered series notes, to be offered in denominations of $100 to $1,000 each. **Price**—At face value. **Proceeds**—For working capital. **Office**—36 Lowell St., Manchester, N. H. **Underwriter** — Shontell & Varick, Manchester, N. H.

Commercial Credit Co.
Oct. 10, 1960 filed $50,000,000 of senior notes, due 1980. **Price** — To be supplied by amendment. **Proceeds** — For working capital. **Underwriters**—First Boston Corp. and Kidder, Peabody & Co. (handling the books). **Offering**—Expected sometime in November.

Commerce Oil Refining Corp.
Dec. 16, 1957 filed $25,000,000 of first mortgage bonds due Sept. 1, 1968, $20,000,000 of subordinated debentures due Oct. 1, 1968 and 3,000,000 shares of common stock to be offered in units as follows: $1,000 of bonds and 48 shares of stock and $100 of debentures and nine shares of stock. **Price**—To be supplied by amendment **Proceeds** — To construct refinery. **Underwriter**—Lehman Brothers, New York. **Offering**—Indefinite.

Commonwealth Edison Co. (10/24)
Oct. 4, 1960 filed 3,850 shares of common stock to be payed as a stock dividend to holders of record Sept. 22, on the basis of three new shares for each 125 shares then held. Such shares as stockholders may elect to sell will be sold to the underwriters. **Price**—At-the-market—At the time of sale. **Office** — 72 W. Adams Street, Chicago, Ill. **Underwriters** — First Boston Corp. and

Glore, Forgan & Co., both of New York City. **Agent**—Continental Illinois National Bank & Trust Co. of Chicago.

Commonwealth Telephone Co. (Pa.)
Aug. 25, 1960 filed 42,960 shares of common stock (par $10) being offered to the holders of the outstanding common of record Oct. 7, on the basis of one new share for each 10 shares held with rights to expire on Oct. 26. **Price** — $19 per share. **Proceeds** — To reduce amount of outstanding bank loans. **Office**—Dallas, Pa. **Underwriter**—Eastman Dillon, Union Securities & Co., New York City (managing).

Consolidated Realty Investment Corp.
April 27 filed 2,000,000 shares of common stock. **Price**—$1 per share. **Proceeds**—To establish a $250,000 revolving fund for initial and intermediate financing of the construction of custom or pre-fabricated type residential or commercial buildings and facilities upon properties to be acquired for sub-division and shopping center developments; the balance of the proceeds will be added to working capital. **Office**—1321 Lincoln Ave., Little Rock, Ark. **Underwriter**—The Huntley Corp., Little Rock, Ark.

Consolidated Southern Companies, Inc.
Sept. 30, 1960 (letter of notification) 150,000 shares of common stock (par $1). **Price**—$2 per share. **Proceeds**—For the closing payment on a building, repayment of an outstanding loan and for working capital. **Office**—Suite 656, 800 Peachtree St., N. E., Atlanta, Ga. **Underwriter**—Atlanta Shares, Inc., same address as the company.

★ **Cook Coffee Co.**
Oct. 19, 1960 filed 100,000 shares of common stock (par $1). **Price**—To be supplied by amendment. **Business**—Wholesale and retail grocery business. **Proceeds** — To three selling stockholders. **Office**—16501 Rockside Road, Maple Heights, Cleveland 37, Ohio. **Underwriter**—Goldman, Sachs & Co., New York City (managing).

Coral Aggregates Corp. (11/1-4)
Aug. 25, 1960 filed 100,000 shares of common stock (par 10 cents). **Price**—$4 per share. **Business**—The company intends to engage in the extraction and sale of rock. **Proceeds**—For equipment, working capital, and the retirement of indebtedness, with the balance for general corporate purposes. **Office**—7200 Coral Way, Miami, Fla. **Underwriters**—Peter Morgan & Co., New York City, and Robinson & Co., Inc., Philadelphia, Pa.

● **Cormany Corp. (10/24)**
Sept. 21, 1960 (letter of notification) 91,000 shares of common stock to be sold at par ($2.50 per share). **Business**—Makes and leases oil well testing equipment. **Proceeds**—To buy such equipment and to develop new tools. **Office**—2427 Huntington Drive, San Marino, Calif. **Underwriter** — Jacoby, Daigle & Werner, Inc., 541 South Spring St., Los Angeles, Calif.

Cove Vitamin & Pharmaceutical Inc.
Sept. 30, 1960 filed 108,000 shares of common stock (par 50 cents), and five-year warrants for the purchase of an additional 54,000 shares of common stock to be offered in units, each unit to consist of two shares and a warrant for the purchase of one share. **Price** — To be supplied by amendment. **Business**—Mail order marketing of vitamins through department stores. **Proceeds** — To implement the company's merchandising plan and for working capital. **Office**—26 The Place, Glen Cove, L. I., N. Y. **Underwriter** — Hill, Thompson & Co., Inc., New York, N. Y.

● **Cryogenics Inc.**
Aug. 16, 1960 filed 175,000 shares of common stock. **Price**—$2 per share. **Proceeds**—To repay a bank loan, for salaries, operating expenses, purchase of land, construction of a new laboratory and working capital. **Office**—Washington, D. C. **Underwriter**—John R. Maher Associates, New York City.

● **Cyclomatics Inc. (10/31-11/4)**
Aug. 31, 1960 filed 250,000 shares of common stock (par 10 cents). **Price**—$1 per share. **Business**—Motorized and automatic health equipment. **Proceeds** — For inventory and working capital. **Office**—Astoria, L. I., N. Y. **Underwriter**—General Securities Co., 101 W. 57th St., N. Y. 19, N. Y.

Daffin Corp.
Aug. 22, 1960, filed 150,000 shares of common stock (no par). **Price**—To be supplied by amendment. **Business**—The company makes agricultural implements, feed grinding and mixing equipment for the livestock industry, and conveying and seed cleaning equipment. **Proceeds**—To selling stockholders. **Office**—Hopkins, Minn. **Underwriters**—Lehman Brothers, New York City, and Piper, Jaffray & Hopwood, Minneapolis, Minn. (managing). **Offering**—Indefinitely postponed.

Dakota Underwriters, Inc.
Aug. 3, 1960 (letter of notification) 300,000 shares of common stock. **Price**—At par ($1 per share). **Proceeds**—To pay outstanding notes and the remainder for general corporate purposes. **Office**—214 W. Third St., Yankton, S. C. **Underwriter**—Professional Insurers and Investors Ltd., 104 E. 8th St., Denver, Colo.

● **Dalto Corp. (10/31-11/4)**
March 29 filed 431,217 shares of common stock to be offered for subscription by holders of such stock of record Oct. 7 at the rate of one new share for each two shares then held. **Price**—$1.25 per share. **Proceeds**—For the retirement of notes and additional working capital. **Office**—Norwood, N. J. **Underwriter**—Sterling, Grace & Co., 50 Broad St., New York City.

Davega Stores Corp. (11/15)
Sept. 7, 1960, filed $1,500,000 of 6% convertible subordinated debentures, due 1975, to be offered to holders of its common stock pursuant to preemptive rights. **Price**—$100 per debenture. **Business**—The company operates a chain of 29 retail stores in the metropolitan New York areas in which it sells various electrical appliances and sporting goods and apparel. **Proceeds**—For general corporate purposes, including fixtures and inventory for two new retail discount centers. **Office** — 215 Fourth Ave., New York City. **Underwriter**—Amos Treat & Co., Inc., New York City (managing).

● **Daystrom, Inc. (10/26)**
Sept. 14, 1960 filed $10,000,000 of sinking fund debentures, due Oct. 1, 1980. **Price**—To be supplied by amendment. **Business** — The company manufactures electrical and electronic products. **Proceeds**—For working capital, debt reduction, and plant and equipment. **Office**—Murray Hill, N. J. **Underwriters**—Goldman, Sachs & Co. and R. W. Pressprich & Co., both of New York City (managing).

● **Deere (John) Credit Co. (10/31-11/4)**
Sept. 16, 1960 filed $50,000,000 of series A debentures, due 1985. **Price**—To be supplied by amendment. **Business**—The purchase of retail instalment paper from the 14 domestic sales branches operated by Deere & Co. subsidiaries. **Proceeds** — For general corporate purposes. **Underwriter**—Harriman Ripley & Co., Inc., New York City (managing).

● **Del Electronics Corp. (10/24-28)**
July 26, 1960 filed 100,000 shares of common stock (par 10 cents). **Price**—$4 per share. **Business**—The company makes, from its own designs, and sells high voltage power supplies, transformers, chokes, and reactors. **Proceeds**—For working capital, relocation, and expansion. **Office**—521 Homestead Ave., Mount Vernon, New York. **Underwriters** — Standard Securities Corp., New York City, and Bruno-Lenchner, Inc., Pittsburgh, Pa.

Delta Design, Inc.
Sept. 28, 1960 filed 100,000 shares of capital stock. **Price**—$4.50 per share. **Business** — Development of vacuum system components. **Proceeds** — For acquisition of land and construction of a factory; purchase of new machinery and tooling; inventory and working capital. **Office**—3163 Adams Ave., San Diego, Calif. **Underwriter**—None.

● **Deluxe Aluminum Products, Inc.**
Oct. 15 filed $330,000 of convertible debentures, and 70,000 shares of common stock. **Price**—For the debentures, 100% of principal amount; for the stock, $5 per share. **Proceeds**—From 10,000 shares of the common stock, to the present holders thereof; from the rest of the offering, to the company to be used for expansion and as working capital. **Office**—6810 S. W. 81st St., Miami, Fla. **Underwriter**—R. A. Holman & Co., Inc. **Note**—This statement was withdrawn on Oct. 12.

Designatronics, Inc.
Sept. 28, 1960 (letter of notification) 100,000 shares of common stock (par 10 cents). **Price** — $2.25 per share. **Business**—Manufacturers of electronic equipment. For general corporate purposes. **Office** — 199 Sackett St., Brooklyn, N. Y. **Underwriters** — Cortlandt Investing Corp.; Rothenberg, Heller & Co., Inc. and Joseph Nadler & Co., Inc., New York, N. Y.

Detroit Tractor, Ltd.
May 26 filed 1,375,000 shares of class A stock. Of this stock, 1,125,000 shares are to be offered for the company's account and the remaining 250,000 shares are to be offered for sale by the holders thereof. **Price**—Not to exceed $3 per share. **Proceeds**—To be applied to the purchase of machine tools, payment of $95,000 of notes and accounts payable, and for general corporate purposes. **Office**—1221 E. Keating Avenue, Muskegon, Mich. **Underwriter**—To be supplied by amendment.

Diketan Laboratories, Inc.
Sept. 30, 1960 (letter of notification) 150,000 shares of common stock (par $1). **Price**—$2 per share. **Proceeds**—To increase inventory, purchase new equipment, for research and new product development and working capital. **Office** — 9201 Wilshire Blvd., Beverly Hills, Calif. **Underwriter** — Holton, Henderson & Co., Los Angeles, Calif.

Diversified Realty Investment Co.
April 26 filed 250,000 shares of common stock. **Price**—$5 per share (par 50 cents). **Proceeds** — For additional working capital. **Office**—919 18th Street, N. W., Washington, D. C. **Underwriter**—Ball, Pablo & Co., Washington, D. C.

★ **Does-More Products Corp. (11/7-10)**
Oct. 12, 1960 (letter of notification) 75,000 shares of common stock (par 10 cents). **Price**—$4 per share. **Proceeds** — To pay notes payable, purchase inventory, for purchase of die and equipment and additional working capital. **Office**—201 W. Semmes St., Osceola, Ark. **Underwriter**—H. L. Wright & Co., Inc., New York, N. Y.

Dorsett Electronics Laboratories, Inc.
Sept. 15, 1960 filed 50,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The design and manufacture of various electronic data handling and control systems. **Proceeds**—For debt reduction, and for working capital for the issuer and its subsidiaries. **Address**—P. O. Box 862, Norman, Okla. **Underwriter**—To be named by amendment.

● **Dorsey Corp. (11/1)**
Sept. 1, 1960 filed $3,500,000 of 6½% sinking fund debentures, due October, 1975, with warrants for the purchase of 140,000 common shares, together with 350,000 common shares. **Price**—For the 140,000 shares, $12 per share; for the 350,000 shares the price will be supplied by amendment. **Business**—The design, manufacture, and distribution of all types of highway trailers except those carrying liquids. **Proceeds**—$7,000,000 will be supplied to the purchase of all the outstanding capital stock of Chattanooga Glass Co., with the balance for general corporate purposes. **Office** — 485 Lexington Ave., New York City. **Underwriter**—Blair & Co., Inc., New York City (managing).

● **Drexel Dynamics Corp. (11/15)**
Aug. 26, 1960 filed 100,000 shares of common stock (no par). **Price**—$6 per share. **Business**—Research, development, and production in the fields of mechanics, electronics, optics, and functional systems. **Proceeds**—The net proceeds, estimated at $511,740, will be used for product development ($100,000), payment of notes ($16,000), and working capital ($395,740). **Office**—Philadelphia, Pa. **Underwriter** — Warner, Jennings, Mandel & Longstreth, Philadelphia, Pa. (managing).

● **Dubrow Electronic Industries Inc. (10/24-28)**
Sept. 7, 1960 (letter of notification) 100,000 shares of common stock (par 10 cents.) **Price**—$3 per share. **Business**—Electronic equipment for military use. **Proceeds**—For general corporate purposes. **Office**—235 Penn St., Burlington, N. J. **Underwriter** — Woodcock, Moyer, Fricke & French, Inc., Philadelphia, Pa.

East Alabama Express, Inc.
April 1 (letter of notification) 77,000 shares of common stock (par $1). **Price**—$2.50 per share. **Proceeds**—To repay notes payable, reduce equipment purchase obligations, accounts payable and for working capital. **Office**—109 M Street, Anniston, Ala. **Underwriter**—First Investment Savings Corp., Birmingham, Ala.

Eastern Shopping Centers, Inc.
Aug. 15, 1960 filed 1,048,167 shares of common stock being offered for subscription by holders of outstanding common stock of record Sept. 29 on the basis of one new share for each 3 shares held with rights to expire on Oct. 24. **Price**—$2 per share. **Business**—The construction, development and management of shopping centers. **Proceeds**—To be added to the general funds for working capital and general corporate purposes. **Office**—6L Mall Walk, Cross County Center, Yonkers, N. Y. **Underwriter**—None.

Edwards Industries, Inc.
Sept. 27, 1960 filed 100,000 shares of common stock. **Price**—$4.50 per share. **Proceeds** — For land, financing of homes, and working capital relating to such activities. **Office**—Portland, Oreg. **Underwriter**—Joseph Nadler & Co., Inc., New York City (managing). **Offering**—Expected in late November to early December.

Electro Industries, Inc.
July 19, 1960 (letter of notification) 75,000 shares of class A common stock (no par) and 20,000 shares of additional class A common stock to be offered to the underwriters. **Prices**—Of class A common, $2 per share; of additional class A common, 2½ cents per share. **Proceeds**—To expand the company's inventory to go into the packaging and export of electrical equipment, and for working capital. **Office**—1346 Connecticut Ave., N. W., Washington, D. C. **Underwriter** — Carleton Securities Corp., Washington, D. C.

★ **Electro-Mechanics Co.**
Oct. 4, 1960 (letter of notification) 100,000 shares of common stock (par 10 cents). **Price**—$3 per share. **Proceeds**—For working capital. **Address**—Westlake Hills, Tex. **Underwriter**—James C. Tucker & Co., Inc., Austin, Tex.

Electro-Nuclear Metals, Inc.
Aug. 31, 1960 (letter of notification) 250,000 shares of common stock. **Price**—At par ($1 per share). **Proceeds**—To purchase new equipment, rental and for administrative costs. **Office**—115 Washington Blvd., Roseville, Calif. **Underwriter**—A. J. Taranto & Co., Carmichael, Calif.

Electro-Science Investors, Inc. (10/27)
Sept. 7, 1960, filed 772,000 shares of common stock (par $1). **Price**—To be supplied by amendment. **Business**—The company is a non-diversified, closed-end, management investment company, and has not as yet commenced its business of furnishing equity capital and advisory services to small buisnesses in scientific fields. **Proceeds**—To start the business. **Office**—727 South Central Expressway, Richardson, Texas. **Underwriters**—Kidder, Peabody & Co., New York City, and Rauscher, Pierce & Co., Inc., Dallas, Texas (managing).

● **Electronic & Missile Facilities Inc. (10/31-11/4)**
Sept. 23, 1960 filed 260,000 shares of common stock (par 25 cents). **Price**—To be supplied by amendment. **Business**—Builds and installs facilities for the armed forces and also does work for civilian public works agencies. **Proceeds**—For general corporate purposes including expansion. The additional funds will also enable the firm to furnish bonds necessary to bid on larger Government contracts. **Office**—2 Lafayette St., New York City. **Underwriter**—Hardy & Co., New York City.

Electronic Specialty Co.
June 2 filed 150,000 shares of common stock (par 50 cents). **Price**—To be supplied by amendment. **Proceeds**—To be added to the general funds in anticipation of capital requirements, possibly to include acquisitions. **Office**—5121 San Fernando Road, Los Angeles, Calif. **Underwriters**—Reynolds & Co., Inc. of New York City and Bateman, Eichler & Co. of Los Angeles, Calif. **Offering**—Indefinitely postponed.

● **Electronics International Capital Ltd. (10/25)**
Sept. 16 1960 filed 2,500,000 shares of common stock (par £1). **Price**—$10 per share. **Business**—A closed-end, non-diversified management investment company. **Proceeds**—For general corporate purposes. **Office**—Bank of Bermuda Bldg., Hamilton, Bermuda. **Underwriter**—Bear, Stearns & Co., New York, N. Y. (managing).

Electronics, Missiles & Communications, Inc. (10/24-28)
Sept. 13, 1960 filed 150,000 shares of 10 cent par common stock. **Price**—$2 per share. **Business**—The company will make and sell communications equipment. **Proceeds**

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—For working capital. **Office**—262-264 East Third St., Mt. Vernon, N. Y. **Underwriter**—Frank Karasik & Co., Inc., 285 Madison Avenue, New York 17, N. Y.

Fairmount Finance Co.
May 6 (letter of notification) 58,000 shares of class A common stock (par $5). **Price**—At par ($5 per share). **Proceeds**—For working capital. **Office**—5715 Sheriff Road, Fairmount Heights, Md. **Underwriter**—J. T. Patterson & Co., Inc., 40 Exchange Place, New York, N. Y.

Federal Street Fund, Inc. (11/1-4)
Sept. 26, 1960 filed a minimum of $20,000,000 market value of shares of its $1 par common stock. **Price**—To be supplied by amendment. **Business**—The company is a newly organized open-end mutual fund. **Proceeds**—For investment. **Office**—140 Federal St., Boston, Mass. **Dealer-Manager** — Goldman, Sachs & Co., New York City (managing).

★ **First American Investment Corp.**
Oct. 14, 1960 filed 2,500,000 shares of common stock. **Price**—$2 per share. **Business**—Insurance. **Proceeds**—To acquire control of Western Heritage Life Insurance Co. of Phoenix, and to organize subsidiaries. **Office**—2222 N 16th St., Phoenix, Ariz. **Underwriter**—None.

● **First Connecticut Small Business Investment Co. (11/14-18)**
Aug. 12, 1960 filed 225,000 shares of common stock (par $1). **Price**—$10 per share. **Proceeds**—To retire $150,000 of debentures, and for capital for loans for small businesses. **Office**—955 Main St., Bridgeport, Conn. **Underwriter**—Hill, Darlington & Grimm, of New York City.

First Small Business Investment Company of Tampa, Inc.
Oct. 6, 1960 filed 500,000 shares of common stock. **Price**—$12.50 per share. **Proceeds** — To provide investment capital. **Office**—Tampa, Fla. **Underwriter**—None.

● **Florida Hillsboro Corp. (10/21-28)**
Aug. 16, 1960 filed $1,000,000 of junior lien bonds, 7% series, due 1975, and 150,000 shares of common stock, to be offered in units of a $500 bond and 75 shares of common stock. Also filed were 120,000 shares of common stock. **Price**—For the units, $500 per unit; for 120,000 common shares, $1 per share. **Proceeds** — For property improvements, the repayment of indebtedness, and the balance for working capital. **Office**—Ft. Lauderdale, Fla. **Underwriters**—P. W. Brooks & Co. Inc. and Lee Higginson Corp. (for the common only), both of New York City.

Florida Suncoast Land & Mining Co.
Sept. 30, 1960 filed 1,050,000 shares of common stock, of which 330,000 shares are to be offered in exchange for certain lands and assets, and the balance will be for public sale. **Price**—To be supplied by amendment. **Proceeds** — For the acquisition and development of land, mining operations and equipment, and the balance for working capital. **Office**—Tarpon Springs, Fla. **Underwriter**—None.

★ **Ford Electronics Corp.**
Oct. 4, 1960 (letter of notification) 150,000 shares of common stock (no par). **Price**—$2 per share. **Proceeds**—To pay a loan, pay a balance under creditors agreement, and for working capital. **Office**—11747 Vose St., North Hollywood, Calif. **Underwriter**—Thomas Jay, Winston & Co., Inc., Beverly Hills, Calif.

★ **Foremost Industries, Inc. (11/7-10)**
Oct. 14, 1960 (letter of notification) 100,000 shares of common stock (par 50 cents). **Price**—$3 per share. **Business**—Manufacturers of stainless steel food service equipment used by department, drug and variety chain stores, and institutions. **Proceeds**—For expansion; to repay a loan; advertising, sales and promotion; for working capital and general corporate purposes. **Office**—250 W. 57th St., New York, N. Y. **Underwriter**—Richard Bruce & Co., Inc., New York, N. Y.

Fotochrome, Inc. (11/1-4)
Sept. 16, 1960 filed 220,000 shares of $1 par common stock, of which 200,000 shares are to be offered for the account of the issuing company and 20,000 shares, representing outstanding stock, is to be offered for the account of the present holder thereof. **Price**—To be supplied by amendment. **Business**—Film processing, the distribution of film and related supplies, and the design, development, and sale of automatic processing equipment. **Proceeds**—For general corporate purposes, including debt reduction, and the purchase of inventories of photographic supplies. **Office**—1874 Washington Ave., New York City. **Underwriters**—Shearson, Hammill & Co. and Emanuel, Deetjen & Co., both of New York City (managing).

★ **Foxboro Co.**
Oct. 18, 1960 filed 211,000 shares of common stock, of which 125,000 shares are to be offered for the account of the issuing company and 86,000 shares, representing outstanding stock, are to be offered for the account of the present holders thereof. **Price**—To be supplied by amendment. **Proceeds**—For general corporate purposes, including warehouse and plant facilities. **Office**—Foxboro, Mass. **Underwriter** — Paine, Webber, Jackson & Curtis, New York City (managing).

● **Franklin Discount Co. (11/16)**
Aug. 23, 1960, filed $300,000 of 8% subordinated convertible debentures, due serially 1966-1968, and $300,000 of 8% subordinated capital notes due eight years, eight months and eight days after date of issue. **Prices**—At par. **Business**—The company is engaged in the consumer finance or small loan business, and, to a lesser extent, in the purchasing of car, boat, and appliance installment sales contracts from dealers. **Proceeds**—For general corporate purposes. **Office**—105 North Sage Street, Toccoa, Ga. **Underwriter**—None.

★ **Frisch's Restaurants, Inc.**
Oct. 18, 1960 filed 180,000 shares of outstanding common stock. **Price**—To be supplied by amendment. **Proceeds**—To selling stockholders. **Office**—Cincinnati, O. **Underwriter**—Westheimer & Co., Cincinnati, O. (managing).

● **Frouge Corp. (10/31-11/4)**
July 22, 1960 filed $1,500,000 of 6½% convertible subordinated debentures, due September 1975, and 175,000 shares of common stock (par $1), of which filing 50,000 of the common shares are to be offered for the account of selling stockholders and the balance for the account of the issuing company. **Price** — To be supplied by amendment. **Business**—The company is engaged in the construction business, both as a general contractor and as a builder for its own account. **Proceeds** — For debt reduction and working capital. **Office**—141 North Ave., Bridgeport, Conn. **Underwriter**—Van Alstyne, Noel & Co., New York City (managing).

★ **Garsite Corp.**
Oct. 12, 1960 filed 100,000 shares of common stock. **Price**—$3 per share. **Business**—A hydrant jet fueling company. **Proceeds**—Expansion. **Office**—Seaford, L. I., N. Y. **Underwriter**—Theodore Arrin & Co., Inc., 82 Beaver St., New York City.

(Connie B.) Gay Broadcasting Corp. (11/14-18)
Sept. 9, 1960 filed 130,000 shares of common stock (par $1). **Price**—To be supplied by amendment. **Business**—The company and its subsidiaries own and operate radio and television stations. **Proceeds**—For the acquisition of a television station and two radio stations in Missouri. **Office** — 4000 Albemarle St., N. W., Washington, D. C. **Underwriter** — Hill, Darlington & Co., New York City (managing).

General Automation Corp. (11/14-18)
Sept. 30, 1960 (letter of notification) 100,000 shares of common stock (par two cents). **Price**—$2 per share. **Business**—Manufacture of machinery. **Proceeds**—For general corporate purposes. **Office**—40-66 Lawrence St., Flushing, N. Y. **Underwriters**—Bertner Bros. and Earl Edden Co., New York, N. Y.

General Development Investment Plans, Inc.
Oct. 6, 1960 filed 1,285 of Investment Plans. **Price**—To be offered for public sale with sales commissions ranging from 8% to 10%, depending upon the type of mortgage financing involved. **Proceeds**—For investment in Port St. Lucie Country Club homes, on the east coast of Florida. **Business**—The company is a wholly-owned subsidiary of General Development Corp., whose principal business is the development of large tracts of land into planned communities. **Office**—2828 S. W. 22nd Street, Miami, Fla. **Underwriter**—None.

General Sales Corp.
April 28 filed 90,000 shares of common stock (par $1). **Price**—To be supplied by amendment. **Proceeds**—$75,000 will be used for additional working capital, inventories and facilities for the Portland Discount Center; $75,000 for the same purposes in the Salem Center; and $50,000 to provide working capital for General Sales Acceptance Corp. for credit sales to member customers. The balance of the proceeds will be used to open two new stores in Oregon and Idaho. **Office** — 1105 N. E. Broadway, Portland, Ore. **Underwriter**—A. J. Gabriel & Co., Inc., New York City.

● **Geophysics Corp. of America (11/14-18)**
Sept. 28, 1960 filed 50,000 shares of common stock of which 18,750 shares are to be offered for the account of the issuing company and the remaining 31,250 for the account of the present holders thereof. **Price**—To be supplied by amendment. **Proceeds** — For working capital. **Office**—New Bedford, Mass. **Underwriter**—C. E. Unterberg, Towbin Co., New York City (managing).

Georgia Power Co. (11/3)
Sept. 26, 1960 filed $12,000,000 of 30-year first mortgage bonds due 1990. **Underwriter** — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Morgan Stanley & Co.; Equitable Securities Corp., and Eastman Dillon, Union Securities & Co. (jointly); Blyth & Co., Inc., and Kidder, Peabody & Co. (jointly); The First Boston Corp. **Bids**—Expected to be received on Nov. 3 at the office of Southern Services, Inc., Room 1600, 250 Park Avenue, N. Y. C., up to 11 a.m., New York Time. **Information Meeting**—Scheduled for Oct. 31 between 2:30 p.m. and 4:30 p.m. at the Chemical Bank New York Trust Co., 11th floor, 100 Broadway, New York City.

● **Ginn & Co. (11/29)**
Oct. 10, 1960 filed 817,391 shares of common stock (par $1), of which 173,300 shares will be offered for the account of the issuer, and 644,091 shares will be offered for the account of selling stockholders. **Price** — To be supplied by amendment. **Business**—Publication and distribution of text books and related educational materials for schools. **Proceeds**—To reimburse the company's treasury for redemption costs of its preferred stock, and the balance for working capital. **Office**—Statler Office Bldg., Boston, Mass. **Underwriter** — White, Weld & Co., New York City.

Glas Foam Corp.
Sept. 28, 1960 (letter of notification) 100,000 shares of common stock (par 10 cents). **Price**—$3 per share. **Proceeds** — For boat molds, to pay off a mortgage and for working capital. **Address**—Hialeah, Fla. **Underwriter**—Martinelli & Co., Inc., New York, N. Y.

★ **Globe Security Systems, Inc. (11/21-25)**
Oct. 13, 1960 filed 100,000 shares of common stock (no par). **Price**—To be supplied by amendment. **Business**—Supplying plant security and uniformed guard and investigatory services to industrial and commercial customers. **Proceeds**—For debt reduction, working capital, expansion, and possibly acquisitions. **Office**—2011 Walnut St., Philadelphia, Pa. **Underwriter**—Drexel & Co., Philadelphia, Pa. (managing).

Gold Medal Packing Corp.
June 17, 1960, filed 100,000 shares of 25c convertible preferred stock (par $4). **Price**—At par. **Proceeds**—Approximately $150,000 will be used to discharge that portion of its obligation to Jones & Co. pursuant to which certain inventories are pledged as collateral. The indebtedness to Jones & Co. was initially incurred on June 15, 1960 in connection with refinancing the company's obligations to a bank. In addition, $15,000 will be used for the construction of an additional smokehouse, and the balance will be used for general corporate purposes. **Office**—614 Broad Street, Utica, N. Y. **Business**—The company is engaged in the processing, packing and distribution of meats and meat products, principally sausage products, smoked meats, bacon, and meat specialties. It also sells certain dairy products. **Underwriter**—Ernst Wells, Inc., 15 William Street, New York City.

★ **Goodrich (B. F.) Co.**
Oct. 19, 1960 filed $60,000,000 of debentures due Nov. 15, 1985. **Price**—To be supplied by amendment. **Proceeds**—For capital expenditures and investment outlays and working capital. **Address**—Akron, Ohio. **Underwriter**—Goldman, Sachs & Co., New York, N. Y. (managing). **Offering**—Expected in mid-November.

Great Atlantic Development Corp.
Sept. 8, 1960 (letter of notification) 100,000 shares of common stock (par one cent). **Price**—$3 per share. **Proceeds** — For general corporate purposes. **Office** — c/o Joseph Frost, 280 Broadway, New York, N. Y. **Underwriter**—S. P. Levine & Co., Inc., New York, N. Y.

● **Green Shoe Manufacturing Co. (10/25)**
Sept. 9, 1960 filed 420,000 shares of common stock (par $3), of which 45,000 shares are to be offered for the account of the issuing company, 355,000 shares, representing outstanding stock, are to be offered for the account of the present holders thereof, and 20,000 shares have been granted to the underwriters on an option basis. **Price**—To be supplied by amendment. **Business** — The company makes and sells children's shoes under the trade name of "The Stride Rite Shoe." **Proceeds**—For general corporate purposes, including plant improvement. **Office**—960 Harrison Ave., Boston, Mass. **Underwriters** — Paine, Webber, Jackson & Curtis and F. S. Moseley & Co., both of New York City (managing).

Gremar Manufacturing Co., Inc. (11/1-4)
Sept. 20, 1960 filed 100,000 shares of common stock (no par). **Price**—To be supplied by amendment. **Business**—Manufactures coaxial cable connectors and associated fittings for the electronic and electrical industries. **Proceeds** — For general corporate purposes, including debt reduction, inventory and construction. **Office**—7 North Ave., Wakefield, Mass. **Underwriters**—Milton D. Blauner & Co., Inc. and M. L. Lee Co., Inc., New York, N. Y.

★ **Gro-Rite Shoe Co., Inc.**
Oct. 12, 1960 (letter of notification) an undetermined number of shares of common stock (par $1). **Price**—The offering will not exceed $300,000. **Proceeds**—For working capital. **Address**—Route 2, Box 129, Mount Gilead, N. C. **Underwriter**—American Securities Co., Charlotte, N. C.

Gulf Resources, Inc. (11/7)
Sept. 2, 1960 filed 140,000 shares of common stock (par 10 cents). **Price**—$8 per share. **Business**—Gathering natural gas in Zapata and Starr Counties, Texas. **Proceeds** — For general corporate purposes. **Office** — 20 Broad Street, New York City. **Underwriter**—Amos Treat & Co., Inc., New York City.

● **Heldor Electronics Manufacturing Corp. (10/24-28)**
June 29, 1960 (letter of notification) 100,000 shares of common stock (par 10 cents). **Price**—$3 per share. **Proceeds** — For general corporate purposes. **Office** — 238 Lewis Street, Paterson, N. J. **Underwriter**—S. Schramm & Co., Inc., New York, N. Y.

Hilltop, Inc.
Aug. 17, 1960 filed $1,650,000 of 6% subordinated debentures, due 1980, and 1,650 shares of class A common stock, to be offered in units of one $1,000 debenture and one class A share. **Price** — To be supplied by amendment. **Business**—The principal business of the company, which was organized under Kansas law in June, 1959, will be the owning, acquiring, improving, developing, selling, and leasing of improved and unimproved real property. **Proceeds**—To reduce funded debt. **Office**—401 Columbian Bldg., Topeka, Kan. **Underwriter**—None.

Home Builders Acceptance Corp.
July 15, 1960 filed 1,000,000 shares of common stock (par 50c). **Price**—$1 per share. **Business**—The company is engaged in real estate financing and lending. **Proceeds**—For general corporate purposes. **Office** — 409 N. Nevada, Colorado Springs, Colo. **Underwriter**—None.

Horizon Land Corp. (10/24-28)
Aug. 29, 1960 filed $1,500,000 of 7% subordinated convertible debentures, due October 1970, and 150,000 series III, common stock purchase warrants, to be offered in units consisting of a $1,000 debenture and 100 warrants. **Price** — $1,000 per unit. **Business** — Buying and selling land. **Proceeds**—For general corporate purposes, including land acquisition and advertising expenses. **Office**—Tucson, Ariz. **Underwriter**—Ross, Lyon & Co., Inc., New York City.

Howell Instruments Inc.
Oct. 4, 1960 filed 140,000 shares of outstanding common stock. **Price**—To be supplied by amendment. **Proceeds**—To selling stockholders. **Address** — Fort Worth, Texas. **Underwriters**—G. H. Walker & Co., New York, N. Y. and Dewar, Robertson & Pancoast, San Antonio, Tex.

I C Inc.
June 29 filed 600,000 shares of common stock (par $1) **Price**—$2.50 per share. **Proceeds**—To further the corporate purposes and in the preparation of the concentrate and enfranchising of bottlers, the local and national promotion and advertising of its beverages, and where necessary to make loans to such bottlers, etc. **Office**—704 Equitable Bldg., Denver, Colo. **Underwriters**— Purvis & Co. and Amos C. Sudler & Co., both of Denver, Colo.

● **Idaho Power Co. (11/3)**
Sept. 21, 1960 filed 100,000 shares of $10 par common stock. **Price**—To be supplied by amendment. **Proceeds**—For repayment of bank loans. **Underwriter**—To be supplied by amendment. Possibly Blyth & Co., and Lazard Freres & Co.

Idaho Power Co. (11/15)
Sept. 21, 1960 filed $15,000,000 of first mortgage bonds due 1990. **Proceeds**—For capital expenditures, etc. **Underwriter**—(For the bonds) To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Blyth & Co., Inc., Lazard Freres & Co. and The First Boston Corp. (jointly); Merrill Lynch, Pierce, Fenner & Smith Inc.; Kidder, Peabody & Co. and White, Weld & Co. (jointly); Salomon Bros. & Hutzler and Eastman Dillon, Union Securities & Co. (jointly); Equitable Securities Corp. **Bids**—Expected to be received on Nov. 15. **Information Meeting**—Scheduled for Nov. 10 at 11:00 a.m. at the Bankers Trust Co., 16 Wall St., New York City.

Illinois Beef, L. & W. S., Inc.
April 29 filed 200,000 shares of outstanding common stock. **Proceeds**—To selling stockholders. **Price**—$10 per share. **Office**—200 South Craig Street, Pittsburgh, Pa. **Underwriters**—Amos Treat & Co., Inc., New York, and Bruno Lenchner, Inc., Pittsburgh, Pa.

● **Indian Head Mills, Inc. (10/25)**
Aug. 10, 1960 filed 60,000 shares of outstanding common stock (par $1), of which 50,000 shares are to be offered for the account of present holders, and the remaining shares being registered pursuant to an option agreement. **Price**—To be supplied by amendment. **Business**—Production and distribution of fabrics, and related services for fabric converters. **Proceeds**—To selling stockholders. **Office**—111 W. 40th Street, New York City. **Underwriters**—Blair & Co. and F. S. Smithers & Co., both of New York City (managing).

Industrial Hose & Rubber Co., Inc. (10/28-11/4)
Aug. 31, 1960 filed 125,000 shares of common stock. **Price**—$4 per share. **Proceeds** — Toward the repayment of notes, new machinery, additional inventory, and the balance for working capital. **Office** — Miami, Fla. **Underwriter**—Schrijver & Co., New York City (managing).

● **Intercoast Companies, Inc.**
Aug. 16, 1960 filed 110,000 shares of common stock. **Price**—To be supplied by amendment. **Proceeds**—To pay the balance due on the purchase of Western Life shares, and the balance will be added to the general funds to finance the development of general life insurance agency and for working capital. **Office**—Sacramento, Calif. **Underwriter**—Schwabacher & Co., San Francisco, Calif. and New York City.

International Diode Corp.
July 29, 1960 filed 42,000 shares of 6% non-cumulative convertible preferred stock (par $8). **Price** — $8 per share. **Business**—Makes and sells diodes. **Proceeds**—To establish a staff of production and sales engineers, finance new product development, buy equipment, and add to working capital. **Office**—90 Forrest St., Jersey City, N. J. **Underwriter**—Ernst Wells, Inc., New York City.

International Mosaic Corp. (11/7-10)
Sept. 30, 1960 (letter of notification) 93,333 shares of common stock (par 10 cents). **Price**—$3 per share. **Business** — Manufacture of glass mosaics by machines and processes. **Proceeds** — For general corporate purposes. **Office**—45 East 20th St., New York 3, N. Y. **Underwriter**—B. G. Harris & Co., Inc., New York, N. Y.

● **International Safflower Corp. (11/15)**
Aug. 3, 1960 (letter of notification) 60,000 shares of class A common stock (par $2). **Price**—$5 per share. **Proceeds**—To retire outstanding loans, purchase of planting seed, lease or purchase land, building and machinery and for working capital. **Office** — 350 Equitable Bldg., Denver, Colo. **Underwriter** — Copley & Co., Colorado Springs, Colo.

★ **International Textile Maintenance Equipment Corp.**
Sept. 28, 1960 (letter of notification) 100,000 shares of common stock. **Price**—At par ($1 per share). **Proceeds**—For working capital. **Office**—15 E. First St., Reno, Nev. **Underwriter**—None.

● **Interstate Vending Co. (10/24-28)**
Sept. 7, 1960, filed 285,000 shares of common stock (par $1), of which 250,000 shares will be offered for the account of the issuing company and 35,000 shares, representing outstanding stock, will be offered for the account of the present holders thereof. (The registration statement includes an additional 206,250 shares, all outstanding, of which 100,000 shares may be offered at the market from time to time. The holders of the other 106,250 shares have advised the issuing company that no present disposition of their shares is planned.) **Price**—To be supplied by amendment. **Business**—The company sells various products through coin-operated vending machines in 22 States, and designs and makes certain vending machines for its own use. Proceeds—For acquisitions, working capital, and new equipment. **Office**—251 E. Grand Ave., Chicago, Ill. **Underwriter** — Bear, Stearns & Co., New York City (managing).

Investors Preferred Life Insurance Co.
Sept. 26, 1960 (letter of notification) 150,000 shares of common stock (no par). **Price**—$2 per share. **Proceeds**—For capital and surplus accounts. **Office**—522 Cross St., Little Rock, Ark. **Underwriter** — Life Securities, Inc., Little Rock, Ark.

Irving Fund for Investment in U. S. Government Securities, Inc.
July 22, 1960, filed 400,000 shares of common stock. **Price** — $25 per share. **Business** — A diversified investment company, which will become an open-end company with redeemable shares upon the sale and issuance of the shares being registered. **Proceeds**—For investment in U. S. Government securities. **Office**—50 Broad Street, New York City. **Underwriter**—To be supplied by amendment. **Attorneys** — Brinsmade & Shafrann, 20 Pine Street, New York 5, N. Y.

● **Jahncke Service Inc. (11/2)**
Sept. 3, 1960 filed 156,200 shares of common stock, of which 121,200 shares are to be offered for the account of the company and 35,000 shares by the present holders thereof. **Price**—To be supplied by amendment. **Proceeds**—For acquisitions and working capital. **Office**—New Orleans, La. **Underwriter** — Hemphill, Noyes & Co., New York City (managing).

★ **Jeddeloh Bros. Sweed Mills, Inc.**
Sept. 29, 1960 (letter of notification) 7,500 shares of common stock (no par). **Price**—$22.50 per share. **Proceeds**—To repay bank loans, expand recent plant facilities and for working capital. **Address**—Gold Hill, Ore. **Underwriter**—None.

Jonker Business Machines, Inc.
Sept. 30, 1960 filed 50,000 common stock units, each unit to consist of one share of class A common and 3 shares of class B common, to be offered for subscription by holders of its common stock. **Price**—The price and the basis of the rights offering will be supplied by amendment. **Proceeds**—To establish sales and information centers, establish distributorships, expansion, and the balance for working capital. **Office**—404 No. Frederick Ave., Gaithersburg, Md. **Underwriter** — Hodgdon & Co., Inc., Washington, D. C.

Kanavau Corp.
Sept. 30, 1960 filed 250,000 shares of common stock (par $1). **Price**—$10 per share. **Business**—A real estate investment company. **Proceeds**—For acquisition of properties, working capital and general corporate purposes. **Office**—415 Lexington Ave., New York, N. Y. **Underwriter**—Ira Investors Corp., New York, N. Y.

● **Keyes Fibre Co. (11/15)**
Oct. 4, 1960 filed $10,000,000 of convertible subordinated debentures, due 1985, with attached warrants for the purchase of 500,000 shares of common stock, to be offered to holders of outstanding preferred and common stock, on the basis of $100 of debentures for each 15 shares of common or preferred held. **Price**—To be supplied by amendment. **Proceeds**—Construction of a new plant, additional equipment, and the balance for working capital. **Office**—Upper College Avenue, Waterville, Maine. **Underwriter**—Coffin & Burr, Inc., Boston, Mass.

● **Kings Electronics Co., Inc. (10/24-28)**
May 26 filed 200,000 shares of common stock (par 10 cents) and 100,000 common stock purchase warrants. The company proposes to offer these securities for public sale in units, each consisting of one share of common stock and one-half common stock purchase warrant. **Price**—$4 per unit. **Proceeds**—$165,000 will be applied to the repayment of certain loans, $75,000 for development and design work by a subsidiary in the field of infra-red instrumentation, $100,000 for continued research in the design, development and production of components for microwave instruments, and the balance for working capital. **Office**—40 Marbledale Road, Tuckahoe, N. Y. **Underwriters** — Ross, Lyon & Co., Inc.; Globus, Inc.; Reich & Co.; Harold C. Shore & Co. and Godfrey, Hamilton, Magnus & Co., all of New York City.

Kingsport Press, Inc. (11/1-10)
Sept. 27, 1960 filed 125,000 shares fo $1.25 par common stock of which 70,000 shares are to be offered for the account of the issuing company and 55,000 shares, representing outstanding stock, are to be offered for the account of the present holders thereof, including three company officers. **Price**—To be supplied by amendment. **Business**—Makes hard bound books. **Proceeds**—For expansion. **Address**—c/o Corp. Trust Co., Wilmington, Del. **Underwriters** — Lehman Brothers, New York City, and W. H. Newbold's Son & Co., Philadelphia (managing).

Kirk (C. F.) Laboratories, Inc. (10/24-28)
Sept. 28, 1960 (letter of notification) 99,900 shares of common stock (par 20 cents). **Price**—$3 per share. **Business**—Manufacturers of drugs. **Proceeds** — For general corporate purposes. **Office**—521 West 23rd St., New York, N. Y. **Underwriter**—Schrijver & Co., New York, N. Y.

Klondex Inc.
Sept. 1, 1960 (letter of notification) 149,000 shares of class A stock (par one cent). **Price**—$2 per share. **Business**—Distributors of silver sensitized photo copy papers, chemicals and engineering photo reproduction materials. **Proceeds**—For general corporate purposes. **Office**—470 Clinton Ave., S., Rochester, N. Y. **Underwriter**—Schrijver & Co., New York, N. Y. **Offering**—Imminent.

● **Koeller Air Products, Inc. (10/24-28)**
Aug. 31, 1960 filed 100,000 shares of common stock (par 5 cents) and 500,000 warrants to be offered in units, each unit to consist of 2 shares of common stock and 1 warrant. Each full warrant is convertible into one share of common within a year from the date of offering at $2 per share. **Price**—$4 per unit. **Business**—The firm distributes hydrogen, nitrogen, oxygen, and welding equipment. **Proceeds** — For general corporate purposes. **Office**—596 Lexington Ave., Clifton, N. J. **Underwriter**—Lloyd Securities, 150 Broadway, New York City.

LP Gas Savings Stamp Co., Inc.
Sept. 27, 1960 (letter of notification) 30,000 shares of common stock **Price**—At par ($10 per share). **Proceeds**—For purchase of creative design and printing of catalogs, stamp booklets, advertising and for working capital. **Office**—300 W. 61st St., Shreveport, La. **Underwriter**—International Sales & Investment, Inc., 4501 North Blvd., Baton Rouge, La.

● **Lawndale Industries, Inc. (10/24-28)**
Aug. 15, 1960 filed 100,000 shares of class A stock. **Price**—$5 per share. **Business**—The manufacture of porcelain enameled steel plumbing fixtures. **Proceeds** — For the construction and equipping of a new plant, and the reduction of outstanding bank loans. **Office** — Haven & Russell Aves., Aurora, Ill. **Underwriter**—Paul C. Kimball & Co. of Chicago, Ill.

● **Lawter Chemicals, Inc. (10/24-28)**
Sept. 19, 1960 filed 70,000 shares of capital stock of which 20,000 shares are first to be offered to certain personnel of the company and certain friends of its management. **Price** — To be supplied by amendment. **Business**—Manufacture and sale of printing ink vehicles, fluorescent pigments and coatings, and synthetic resins. **Proceeds**—For general corporate purposes. **Office**—3550 Touhy Ave., Chicago, Ill. **Underwriter** — Blunt Ellis & Simmons, Chicago, Ill.

Leadville Water Co.
June 28, 1960 (letter of notification) $220,000 of 20-year 6% series A first mortgage coupon bonds to be offered in denominations of $1,000. **Price**—At par. **Proceeds**—For a mortgage payment, outstanding notes, construction of a new water supply and general corporate purposes. **Office**—719 Harrison Ave., Leadville, Colo. **Underwriter**—H. M. Payson & Co., Portland, Me.

Liberian Iron Ore Ltd.
May 19 joined with The Liberian American-Swedish Minerals Co., Monrovia, Liberia, in the filing of $15,000,000 of 6¼% first lien collateral trust bonds, series A, due 1980, of Lio, $15,000,000 of 6¼% subordinated debentures due 1985 of Lio, an unspecified number of shares of Lio capital stock, to be offered in units. The units will consist of $500 of collateral trust bonds, $500 of debentures and 15 shares of capital stock. **Price**—For units, to be supplied by amendment, and not to be in excess of par. **Proceeds**—To make loans to Lamco. **Office**—97 Queen St., Charlottetown, Prince Edward Island, Canada, N. S **Underwriter**—White, Weld & Co., Inc., New York. **Note** — This offering has temporarily been postponed.

★ **Lifemaster, Inc.**
Oct. 6, 1960 (letter of notification) 166,000 shares of common stock (no par). **Price**—$1 per share. **Proceeds**—For working capital. **Office**—4749 S. High St., Columbus, Ohio. **Underwriter**—None.

● **Lifetime Pools Equipment Corp.**
July 1, 1960, filed 100,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—Engaged in the manufacture and selling of fiber glass swimming pools. **Proceeds**—$125,000 will be used to purchase machinery and equipment; $200,000 to purchase raw materials, parts and components; $40,000 for sales and advertising promotion; $30,000 for engineering and development; and the balance will be added to working capital. **Office**—Renovo, Pa. **Underwriter**—First Pennington Corp., Pittsburgh, Pa. **Offering**—Expected in late November.

● **Lionel Corp.**
Sept. 2, 1960 filed $4,471,600 of 5½% convertible subordinated debentures, due Oct. 15, 1980, being offered for subscription to holders of the outstanding common stock of record Oct. 17, on the basis of $100 of debentures for each 23 shares then held with rights to expire at 3:30 p.m. EST on Nov. 1. **Price**—100%. **Proceeds**—To reduce indebtedness, expand the research and development program, and add to working capital. **Office**—28 Sager Place, Irvington, N. J. **Underwriter** — Granbery, Marache & Co., New York City (managing).

● **Living Aluminum, Inc. (11/28-12/2)**
Oct. 3, 1960 (letter of notification) 100,000 shares of common stock (par $1). **Price**—$3 per share. **Business**—Manufacturers of aluminum furniture and other household products. **Proceeds**—For additional equipment; purchase of a building; plant expansion and working capital. **Office**—40 Gazza Blvd., Farmingdale, N. Y. **Underwriters**—Arnold Malkan & Co., Inc. and Sulco Securities, Inc., New York, N. Y.

Louisiana Gas Service Co.
June 10, 1960, filed 670,000 shares of common stock (par $10) being offered by Louisiana Power & Light Co. to stockholders of Middle South Utilities, Inc., of record Sept. 28 on the basis of one share of Louisiana Gas Service Co. common stock for each 25 shares of common stock of Middle South held (with an additional subscription privilege) with rights to expire at 3:30 p.m. N. Y. Time on Oct. 24. **Price**—$10.375 per share. **Proceeds**—All to be paid to Louisiana Power & Light Co. **Underwriter**—None.

Mac Charge Plan & Northern Acceptance Corp.
Sept. 21, 1960 (letter of notification) 60,000 shares of common stock class A (par 60 cents). **Price**—$5 per share. **Proceeds**—For company expansion. **Office**—5 E. Centre St., Baltimore, Md. **Underwriters**—Sade & Co., Bellamah, Neuhauser & Barrett, Washington, D. C., McCarley & Co., Asheville, N. C. and Murphy & Co., Denver, Colo.

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Madigan Electronic Corp. (11/28-12/2)
Oct. 5, 1960 filed 110,000 shares of common stock (par 10 cents). **Price**—$4.25 per share. **Business**—The design, manufacture and sale of electronic equipment for use primarily in weapons and data processing systems. **Proceeds**—Reduction of indebtedness and working capital. **Office**—200 Stonehinge Lane, Carle Place, N. Y. **Underwriter**—McLaughlin, Kaufman & Co., New York City.

Major League Bowling & Recreation, Inc. (10/26)
Sept. 16, 1960 filed 150,000 shares of common stock ($1 par). **Price**—To be supplied by amendment. **Business**—The corporation operates or has under construction 17 bowling centers in the southeastern part of the U. S. **Proceeds**—To complete centers and for the development or acquisition of additional centers. **Office**—Richmond, Va. **Underwriters**—Eastman Dillon, Union Securities & Co., New York City, and J. C. Wheat & Co., Richmond, Va. (managing).

Marine & Electronics Manufacturing Inc.
Sept. 22, 1960 (letter of notification) 100,000 shares of common stock class A (par 10 cents). **Price**—$3 per share. **Proceeds**—For expenses in the fabrication of sheet metal parts for missiles, rockets, radar and marine items. **Address**—Hagerstown, Md. **Underwriter**—Batten & Co., Washington, D. C.

● Mary Carter Paint Co. (11/14-18)
Sept. 23, 1960 filed 375,000 shares of class A common stock (par $1), of which 75,000 shares are to be offered for the account of the issuing company, and 300,000 shares, representing outstanding stock, are to be offered for the account of the present holders thereof. **Price**—To be supplied by amendment. **Business** — The firm makes various paint products for retail distribution. **Proceeds**—For debt reduction, expansion, and working capital. **Office**—666 Fifth Ave., New York City. **Underwriter**—Lee Higginson Corp., New York City (managing).

● Matheson Co., Inc. (11/16)
Sept. 27, 1960 filed 160,000 shares of common stock ($1 par), of which 40,000 shares are to be offered for the account of the issuing company and 120,000 shares, representing outstanding stock, are to be offered for the account of the present holders thereof. **Price**—To be supplied by amendment. **Business**—The company sells chemical gases, chemicals, regulators and valves. **Proceeds** — To redeem all the outstanding shares of 6% cum. preferred stock at $21 per share, with the remainder to be added to the issuer's general funds. **Office**—932 Paterson Plank Road, East Rutherford, N. J. **Underwriter**—White, Weld & Co., Inc., New York City (managing).

Merrimack-Essex Electric Co. (11/16)
Sept. 20, 1960 filed 75,000 shares of cumulative preferred stock (par $100). **Proceeds**—For reduction of short-term indebtedness. **Business**—The issuer is a subsidiary of the New England Electric System and conducts its business of generating, buying, and selling electricity in northeastern Massachusetts. It sells appliances related to its business. **Office**—205 Washington St., Salem, Mass. **Underwriter** — To be determined by competitive bidding. Probable bidders: Kidder, Peabody & Co. and White, Weld & Co. (jointly); Merrill Lynch, Pierce, Fenner & Smith Inc. and Eastman Dillon, Union Securities & Co. (jointly); First Boston Corp. **Bids**—**Expected** to be received on Nov. 16. **Information Meeting**—Scheduled for Nov. 4.

● Metcom, Inc. (10/24-28)
Sept. 2, 1960 filed 100,000 shares of common stock. **Price**—To be supplied by amendment. **Business**—The company makes microwave tubes and devices. **Proceeds**—For working capital, machinery and equipment, the retirement of a mortgage loan, and research and development. **Office** — 76 Lafayette Street, Salem, Mass. **Underwriter** — Hayden, Stone & Co., New York City.

● Metropolitan Telecommunications Corp. (10/31-11/4)
Sept. 27, 1960 filed $600,000 of convertible subordinated debentures, to be offered for the account of the issuing company, and 25,000 shares of outstanding common stock, to be offered for the account of four company officers, the selling stockholders. **Prices**—For the debentures, at par; for the common, to be supplied by amendment. **Business**—The company makes and sells electronic and communications equipment. **Proceeds**—For general corporate purposes including debt reduction, working capital, and expansion. **Office** — Ames Court, Plainview, N. Y. **Underwriters**—M. L. Lee & Co., Inc. and Milton D. Blauner & Co., Inc., both of New York City (managing).

● Meyer (Geo.) Manufacturing Co.
Sept. 19, 1960 filed 146,300 shares of common stock. **Price**—To be supplied by amendment. **Business**—To design, manufacture and sell specialized high speed machinery and equipment for use in packaging, bottling, filling, closing, electronically inspecting, labeling, banding, cleaning, etc. **Proceeds** — To selling stockholders, the owning family. **Address** — Cudahy, Wis. **Underwriter**—Robert W. Baird & Co., Milwaukee, Wis. **Offering**—Expected in early November.

★ Mid-America Life Insurance Co.
Oct. 11, 1960 (letter of notification) 100,000 shares of common stock (par 25 cents). **Price** — $2.75 per share. **Proceeds**—For capital and surplus accounts. **Office**—318 Northwest 13th St., Oklahoma City, Okla. **Underwriter**—F. R. Burns & Co., Oklahoma City, Okla.

● Mid-States Business Capital Corp. (10/24-28)
Sept 9, 1960, filed 750,000 shares of common stock (par $1). **Price**—$11 per share. **Business**—The company will invest in small business concerns. **Proceeds** — For general corporate purposes. **Office**—411 N. 7th St., St. Louis, Mo. **Underwriters**—Carl M. Loeb, Rhoades & Co., New York City, and Scherck, Richter Co., St. Louis, Mo. (managing).

Midwestern Acceptance Corp.
Sept. 8, 1960, filed 1,169,470 shares of common stock and $994,050 of 6% debentures, to be offered for public sale in units of one share of stock and 85¢ of debentures. **Price** — $1 per unit. **Business** — The company will do interim financing in the home building industry. **Proceeds** — To start its lending activities. **Address** — P. O. Box 886, Rapid City, S. D. **Underwriter**—None.

● Minitronics, Inc. (10/21-24)
Aug. 26, 1960 (letter of notification) 100,000 shares of class A common stock (par 20 cents). **Price**—$3 per share. **Business**—To manufacture a new type of micro-miniature magnetic relay. **Proceeds** — For general corporate purposes. **Office**—373 Broadway, New York, N. Y. **Underwriter**—David Barnes & Co., Inc., New York, N. Y.

● Missouri Public Service Co.
Aug. 1, 1960 filed 258,556 shares of common stock (par $1) being offered to the holders of the outstanding common of record Oct. 19 on the basis of one new share for each eight shares held with rights to expire on Nov. 3 at 3:00 p.m. CST. **Price**—$19.25 per share. **Proceeds**—To reduce short-term bank loans incurred in 1959-60 for construction expenses. **Office** — Kansas City, Mo. **Underwriter** — Merrill Lynch, Pierce, Fenner & Smith Inc., and Kidder, Peabody & Co., both of New York City (managing).

Mobile Credit Corp.
Sept. 14, 1960 filed 25,874 shares of common stock and 1,000 shares of $100 par 6% cumulative convertible preferred stock. The stock will be offered for subscription by shareholders of record on the basis of two shares of new common for each three such shares held and one share of new preferred for each 38.81 common shares held, the record date in each case being Sept. 1, 1960. **Prices**—For common, $10 per share; for preferred, $100 per share. **Business**—The purchase of conditional sales contracts from dealers in property so sold, such as mobile homes, trailers, boats, and motorcycles. **Proceeds**—For working capital. **Office**—100 E. Michigan Ave., Jackson, Mich. **Underwriter**—None.

● Model Engineering & Manufacturing Corp.
Sept. 21, 1960 filed 140,000 shares of common capital stock. **Price**—To be supplied by amendment. **Business**—The company makes and sells equipment for the electrical, automotive, and aviation industries. **Proceeds**—To reduce indebtedness and for working capital. **Office**—50 Frederick St., Huntington, Ind. **Underwriter**—Raffensperger, Hughes & Co., Indianapolis, Ind. (managing). **Offering**—Expected in mid-November.

● Model Finance Service, Inc. (10/31-11/4)
May 26 filed 100,000 shares of second cumulative preferred stock—65c convertible series, $5 par—and $1,000,000 of 6½% junior subordinated debentures, due 1975. **Price**—To be supplied by amendment. **Proceeds**—To be added to the company's general working funds. **Office**—202 Dwight Building, Jackson, Mich. **Underwriter**—Paul C. Kimball & Co., Chicago, Ill.

Modern Pioneers' Life Insurance Co.
Sept. 26, 1960 (letter of notification) 81,896 shares of common stock (par $1) to be offered to policyholders of the company. **Price** — $2 per share. **Proceeds** — For working capital. **Office**—811 N. Third St., Phoenix, Ariz. **Underwriter** — Associated General Agents of North America.

● Mohawk Insurance Co. (11/7-10)
Aug. 8, 1960, filed 75,000 shares of class A common stock. **Price**—$12 per share. **Proceeds**—For general funds. **Office**—198 Broadway, New York City. **Underwriter**—R. F. Dowd & Co. Inc., 39 Broadway, New York 6, N. Y.

★ Mortgage Guaranty Insurance Corp.
Oct. 17, 1960 filed 155,000 shares of common stock (par $1). **Price**—To be supplied by amendment. **Business**—Insuring lenders against loss on residential first mortgage loans, principally on single family non-farm homes. **Proceeds**—For capital and surplus. **Office**—606 West Wisconsin Avenue, Milwaukee, Wis. **Underwriter**—Bache & Co., New York City (managing).

★ Multi-Mineral Products Corp.
Oct. 7, 1960 (letter of notification) 150,000 shares of common stock (par $1). **Price**—$2 per share. **Proceeds**—To retire notes outstanding, repay bank loans, construction, maintain an inventory and for working capital. **Office**—213 Treasure State Bldg., Billings, Mont. **Underwriter**—None.

Munsingwear, Inc. (10/24-28)
Sept. 23, 1960 filed $3,000,000 of convertible subordinated debentures, due Oct. 1, 1980. **Price**—To be supplied by amendment. **Business**—Manufacturer of apparel. **Proceeds**—Repayment of bank loans. **Office**—718 Glenwood Ave., Minneapolis, Minn. **Underwriters**—Goldman, Sachs & Co., New York City, and Piper, Jaffray & Hopwood, Minneapolis, Minn.

● National Airlines, Inc. (11/1-4)
Sept. 21, 1960 filed $10,288,000 of convertible subordinated debentures, due 1975, to be offered for subscription by holders of the outstanding common stock on the basis of $100 of debentures for each 18 common shares held. **Price**—To be supplied by amendment. **Business**—Domestic and international transport of persons, property, and mail. **Proceeds**—To make payments on planes and reduce short-term indebtedness, with the balance for general corporate purposes. **Office** — Miami International Airport, Miami, Fla. **Underwriter** — Lehman Brothers, New York City (managing). **Offering**—Postponed.

● National Film Studios, Inc. (10/24-11/4)
Sept. 20, 1960 (letter of notification) 150,000 shares of common stock. **Price**—$2 per share. **Proceeds**—For expansion of the business. **Office**—Washington, D. C. **Underwriter**—R. Baruch & Co., 1518 K St., N. W., Washington, D. C.

National Lawnservice Corp.
Jan. 11 (letter of notification) 100,000 shares of common stock (par one cent). **Price**—$3 per share. **Proceeds** — For general corporate purposes. **Office** — 410 Livingston Avenue, North Babylon, N. Y. **Underwriter**—Fund Planning Inc., New York, N. Y. **Offering**—Indefinite.

National Western Life Insurance Co.
Sept. 13, 1960 filed 225,000 shares of common stock. **Price**—To be supplied by amendment. **Proceeds**—Together with the proceeds from the sale of shares to be issued as a result of options, in the amount of $1,106,407.50 for the discharge of indebtedness and general corporate purposes. **Office**—Denver, Colo. **Underwriter**—Peters, Writer & Christensen Inc., Denver, Colo. **Offering** — Expected sometime in December.

Nationwide Tabulating Corp. (11/1-4)
Sept. 19, 1960 filed 100,000 shares of common stock (par 10 cents). **Price**—$2 per share. **Business**—Tabulating of industry and government records. **Proceeds**—For general corporate purposes including working capital. **Office**—384 Clinton St., Hempstead, N. Y. **Underwriter**—Milton D. Blauner & Co., Inc., New York, N. Y.

● Navajo Freight Lines, Inc. (10/31-11/4)
May 9, 1960, filed (with the ICC) 250,000 shares of common stock, of which 189,000 shares, being outstanding stock, will be offered for the account of the present holders thereof, and 61,000 shares will be offered for the account of the issuing company. **Price**—To be supplied by amendment. **Office**—1205 So. Plate River Drive, Denver 23, Colo. **Underwriters**—Hayden, Stone & Co. and Lowell, Murphy & Co. (jointly).

Nissen Trampoline Co. (11/1-4)
Sept. 20, 1960 filed 85,000 shares of common stock. **Price**—To be supplied by amendment. **Proceeds**—For general corporate purposes, including working capital. **Office**—Cedar Rapids, Ia. **Underwriter** — Jesup & Lamont, New York City.

● Nixon-Baldwin Chemicals, Inc. (10/31-11/4)
Aug. 24, 1960 filed $4,000,000 of 6½% subordinated debentures, due Oct. 1, 1980, and 160,000 shares of common stock, to be offered in units. Each unit will consist of $500 principal amount of debentures and an unannounced number of common shares. **Price**—$500 per unit. **Business**—The manufacturing and sale of rigid thermoplastic sheeting, rods, tubes, and other forms. **Proceeds**—To pay part of the cost of acquiring certain assets of Nixon Nitration Works; part of the proceeds will be used for working capital. **Office**—Nixon, N. J. **Underwriters**—Lee Higginson Corp. and P. W. Brooks & Co., Inc., both of New York City (managing).

Normandy Oil & Gas, Inc.
Aug. 31, 1960 filed 750,000 shares of common stock. **Price**—$1 per share. **Business**—Oil and gas exploration and production. **Proceeds** — For general corporate purposes. **Office**—620 Oil & Gas Bldg., Wichita Falls, Texas. **Underwriter**—None, but 102,500 of the shares are reserved for commissions to selling brokers at the rate of 15 shares for each 100 shares sold.

North Washington Land Co.
May 3 filed $1,600,000 of first mortgage participation certificates. **Price**—The certificates will be offered at a discount of 17.18% from face value. **Proceeds**—For the primary purpose of refinancing existing loans. **Office**—1160 Rockville Pike, Rockville, Md. **Underwriter**—Investor Service Securities, Inc.

Nuclear Engineering Co., Inc.
April 18 (letter of notification) 30,000 shares of common stock (par 33.3 cents). **Price**—$10 per share. **Proceeds**—To replace bank financing, reduce accounts payable, purchase machinery and equipment and for working capital. **Office**—65 Ray St., Pleasanton, Calif. **Underwriter**—Pacific Investment Brokers, Inc., Seattle, Wash.

Nu-Line Industries, Inc.
Sept. 28, 1960 filed 200,000 shares of common stock, of which 175,000 shares are to be offered for the account of the issuing company and 25,000 shares, representing outstanding stock, are to be offered for the account of the issuer's president. **Price**—To be supplied by amendment. **Proceeds**—For capital equipment, research, sales development, and working capital. **Office**—Minneapolis, Minn. **Underwriter**—Kalman & Co., Inc., St. Paul, Minn. (managing).

Nupack Corp.
Aug. 12, 1960 (letter of notification) 200,000 shares of common stock. **Price**—At par ($1 per share). **Proceeds**—For working capital. **Address**—Reinbeck, Iowa. **Underwriter**—R. G. Dickinson & Co., Des Moines, Iowa.

● Omega Precision, Inc. (10/24-28)
Sept. 26, 1960 (letter of notification) 120,000 shares of common stock (par 25 cents). **Price** — $2.50 per share. **Business**—Manufacturers of electronic equipment. **Proceeds**—For general corporate purposes, including working capital. **Address**—Azusa, Calif. **Underwriters**—Pacific Coast Securities Co., San Francisco, Calif. and George, O'Neill & Co., Inc., New York, N. Y.

Pacific Gas & Electric Co. (11/1)
Oct. 10, 1960 filed $60,000,000 of first and refunding mortgage bonds series FF, due 1992. **Proceeds**—For general corporate purposes, including the payment of bank loans incurred for expansion, which expense will approximate $152,000,000 in 1960. **Office** — 245 Market

Street, San Francisco 6, Calif. **Underwriter**—To be determined by competitive bidding. Probable bidders: Blyth & Co., Inc., and First Boston Corp. and Halsey, Stuart & Co. Inc. (jointly). **Bids**—Expected to be received on Nov. 1.

● Paddington Corp. (10/24-28)
Sept. 28, 1960 filed 36,498 shares of outstanding common stock. **Price**—To be related to the price of the stock on the American Stock Exchange at the time of the public offering. **Proceeds**—To selling stockholders. **Office**—630 Fifth Ave., New York City. **Underwriters**—Lee Higginson Corp. and H. Hentz & Co., both of New York City (managing).

★ Pak-Well Paper Products Co.
Oct. 10, 1960 (letter of notification) 20,000 shares of common stock to be offered to shareholders of the company. **Price**—At par ($10 per share). **Proceeds**—For working capital. **Office**—2517 Mail-Well Dr., Portland, Ore. **Underwriter**—None.

● Palm Developers Limited
Sept. 8, 1960, filed 100,000 shares of common stock (par 1 shilling). **Price** — $3 per share. **Business** — The company intends to deal in land in the Bahamas. **Proceeds**—To buy land, and for related corporate purposes. **Office**—6 Terrace, Centreville, Nassau, Bahamas. **Underwriter**—David Barnes & Co., Inc., New York City. **Offering**—Expected in November.

★ Pan Technics Inc.
Oct. 4, 1960 (letter of notification) 100,000 shares of common stock (par $1). **Price**—$3 per share. **Proceeds**—To purchase additional tooling and equipment, for research and development and for working capital. **Office**—470 1st St., Encinitas, Calif. **Underwriter**—Dempsey-Tegeler & Co., St. Louis, Mo.

● Park Electrochemical Corp.
Sept. 22, 1960 filed 175,000 shares of 10 cent par class A stock. **Price**—$4 per share. **Business**—The firm designs and makes anodyzed aluminum specialty components for cars, planes, appliances, and other objects needing naming devices. **Proceeds**—For working capital, debt reduction, and research and development. **Office**—Flushing, L. I., N. Y. **Underwriters** — Stanley Heller & Co., and Michael G. Kletz & Co., Inc., both of New York City, with the latter handling the books. **Offering**—Expected in early November.

★ Pathe Equipment Co., Inc.
Oct. 17, 1960 filed 125,000 shares of class A stock (par 75 cents), of which 42,500 shares are to be offered for the account of the company and 72,500 shares, representing outstanding stock, are to be offered for the account of the present holders thereof. The remaining 10,000 shares have been acquired by the underwriter and Hampstead Investing Corp., as a finder's fee. **Price**—$5 per share. **Business**—Developing and producing automatic multiple needle and specialized sewing equipment. **Proceeds**—For general corporate purposes. **Office** — 16 Leliart's Land, East Paterson, N. J. **Underwriters** — Amos Treat & Co., Inc. and William Stix Wasserman & Co., Inc., New York, N. Y. **Offering**—Expected in late November.

★ Patrician Paper Co., Inc.
Oct. 14, 1960 filed $750,000 of 7% unsecured subordinated notes due 1964 and 100,000 shares of common stock to be offered in units of $7.50 of notes and one share of common stock. **Price**—To be supplied by amendment. **Business**—The company manufactures facial and toilet tissues. **Proceeds**—For acquisition of property, to acquire machinery and equipment, and for repayment of certain loans. **Office** — 485 Lexington Ave., New York, N. Y. **Underwriter** — Hill, Darlington & Grimm, New York, N. Y. **Offering**—Expected in mid-to-late November.

★ Philadelphia Aquarium, Inc.
Oct. 14, 1960 filed $1,700,000 of 6% debentures due 1975 and 170,000 shares of capital stock (par 50 cents) to be offered in units, each consisting of one $100 debenture and 10 shares of stock. **Price**—$150 per unit. **Business**—Operation of an aquarium in or about Philadelphia. **Proceeds**—To acquire ground and to construct an aquarium building or buildings. **Office**—2635 Fidelity-Philadelphia Trust Building, Philadelphia, Pa. **Underwriter**—Stroud & Co., Inc., Philadelphia, Pa. **Offering**—Expected in early December.

Philippine Oil Development Co., Inc.
March 30 filed 103,452,615 shares of capital stock being offered for subscription by stockholders of record Aug. 25, at the rate of one new share for each 5½ shares held with rights to expire at 3:30 p.m. on Oct. 31. **Price**—U. S. price is 1.3 cents per share; Philippine price is 3 centavos per share. **Proceeds** — To be added to the company's working capital. **Office**—Soriano Bldg., Manila, Philippines. **Underwriter**—None.

Photogrammetry, Inc.
Aug. 10, 1960 (letter of notification) 13,000 shares of common stock (par $1). **Price**—$3.50 per share. **Proceeds**—For retirement of a short term note and working capital. **Office** — 922 Burlington Ave., Silver Spring, Md. **Underwriter**—First Investment Planning Co., Washington, D. C.

● Pik-Quik, Inc. (11/28-12/2)
July 27, 1960 filed 550,000 shares of common stock (par $1). **Price**—To be supplied by amendment. **Business**—The organization and operation of self-service markets in Florida under the names of "Pik-Quik" and "Tom Thum." There are now 31 such markets. **Proceeds**—Together with other funds, the proceeds will be used to purchase substantially all of the assets of Plymouth Rock Provision Co., Inc. **Office**—Baker Bldg., Minneapolis, Minn. **Underwriter**—A. C. Allyn & Co., Inc., New York City.

Plastics & Fibers, Inc.
June 14 (letter of notification) 150,000 shares of common stock (par 20 cents). **Price**—$2 per share. **Proceeds**—For general corporate purposes. **Office**—Whitehead Avenue, South River, N. J. **Underwriter**—Pearson, Murphy & Co., Inc., New York, N. Y. **Note**—The underwriter states that this offering will be delayed.

● Polymer Corp. (10/25)
Sept. 16, 1960 filed $2,750,000 of convertible subordinated sinking fund debentures, due 1975, and 20,000 shares of class A non-voting common stock. **Prices**—To be supplied by amendment. **Business** — The company makes nylon rod, plate, strip, and tubing, Teflon, and plastic powders for coating metals. **Proceeds**—From the common stock, to the present holder thereof; from the debentures, for general corporate purposes, including debt reduction and working capital. **Office** — Reading, Pa. **Underwriters**—White, Weld & Co., New York City, and A. G. Edwards & Sons, St. Louis, Mo. (managing).

Portland Reporter Publishing Co.
Sept. 12, 1960 filed 175,000 shares of common stock, of which 125,000 shares are to be publicly offered, 39,000 shares sold to employees, and 11,000 shares exchanged for property or services. **Price**—$10 per share. **Business**—The company intends to publish an afternoon newspaper in Portland, Oreg. **Proceeds**—For general corporate purposes. **Office**—1130 S. W. 3rd Ave., Portland, Oreg. **Underwriter**—None.

● Portland Turf Association (10/24-28)
July 29, 1960 (letter of notification) $300,000 of 10% first mortgage registered bonds, due July 1, 1970. **Price**—At face amount. **Proceeds**—For purchase of a track, to retire bonds and for working capital. **Office**—2890 Bellevue, West Vancouver, B. C., Canada. **Underwriter**—General Investing Corp., New York, N. Y.

● Preferred Risk Life Assurance Co. (10/24-11/1)
Aug. 18, 1960 filed 300,000 shares of common stock. **Price**—$5 per share. **Proceeds** — For general corporate purposes. **Office** — 20 East Mountain St., Fayetteville, Ark. **Underwriter**—Preferred Investments, Inc., a subsidiary of the issuer.

● Premier Microwave Corp. (10/24-28)
Aug. 26, 1960 filed 100,000 shares of common stock (par $1). **Price**—$6 per share. **Business**—The company designs, develops, and produces microwave components. **Proceeds** — To reduce indebtedness and add to working capital. **Office** — 33 New Broad St., Portchester, N. Y. **Underwriter**—Van Alstyne, Noel & Co., New York City.

Process Lithographers, Inc.
Sept. 28, 1960 filed 145,000 shares of common stock (par 10 cents), of which 125,000 shares are for public offering, and 20,000 shares are to be offered for the account of Solomon Roskin, President. **Price** — $5 per share. **Proceeds** — Toward the repayment of indebtedness, new equipment, and working capital. **Office**—200 Varick St., New York City. **Underwriter**—First Broad St. Corp., New York City (managing).

● Public Service Co. of New Hampshire (11/17)
Oct. 7, 1960 filed $5,000,000 of first mortgage bonds, series L, due 1990. **Proceeds** — For repayment of loans, construction, and general corporate purposes. **Office**—1087 Elm Street, Manchester, N. H. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.; Blyth & Co., Inc; Equitable Securities Corp., and Eastman Dillon, Union Securities & Co. (jointly). **Bids**—Expected Nov. 17 in room 170, Parker House, Tremont & School Sts., Boston, Mass., up to 11:00 a.m. EST. **Information Meeting** — Scheduled for Nov. 14 at 3:30 p.m. EST in room 118, Parker House, Boston, Mass.

● Puritron Corp.
Aug. 3, 1960 filed 250,000 shares of common stock, of which 200,000 shares are to be offered for the account of the issuing company and 50,000 shares, representing outstanding stock, are to be offered for the account of Joseph Stein, President, the present holder thereof. **Price**—To be supplied by amendment. **Business**—Makes and sells electronic air purifiers and range hoods. **Proceeds** — To retire indebtedness, with the balance for capital expenditures. **Office**—New Haven, Conn. **Underwriter** — Bache & Co., New York City (managing). **Offering**—Indefinite.

R. C. Can Co.
Aug. 25, 1960 filed 230,000 shares of common stock, of which 50,000 shares will be offered for the account of the issuing company and 180,000 shares, representing outstanding stock, will be offered for the account of the present holders thereof. **Price** — To be supplied by amendment. **Business** — The manufacture and sale of fibre-bodied cans and containers of various sizes. **Proceeds**—For general corporate purposes. **Office**—9430 Page Blvd., St. Louis, Mo. **Underwriter** — Reinholdt & Gardner, St. Louis, Mo. (managing). **Offering**—Expected sometime in November.

R. E. D. M. Corp.
Sept. 27, 1960 filed 100,000 shares of common stock. **Price** $3.50 per share. **Proceeds**—For working capital ($217,-250) and production machinery and equipment ($50,000). **Office**—Little Falls, N. J. **Underwriter**—Robert Edelstein & Co., Inc., New York City.

Radar Measurements Corp. (11/8)
Sept. 28, 1960 (letter of notification) 85,700 shares of common stock (par $1). **Price**—$3.50 per share. **Business**—Manufacturers of electronic equipment. **Proceeds**—For general corporate purposes. **Office** — 190 Duffy Ave., Hicksville, N. Y. **Underwriter**—Blaha & Co., Inc., 29-28 41st Avenue, Long Island City 1, N. Y.

★ Real Estate Mutual Fund
Oct. 14, 1960 filed 200,000 shares of beneficial interest. **Price**—$5 per share. **Business**—An open-end real estate investment trust specializing in investment real estate. **Office** — 606 Bank of America Bldg., San Diego, Calif. **Distributor**—Real Estate Mutual Distributors, Inc., San Diego, Calif.

● Resisto Chemical, Inc. (11/7-10)
Aug. 29, 1960 filed 200,000 shares of common stock (par 10 cents). **Price**—$2.50 per share. **Business**—The firm makes and sells protective coatings for packaging and fabrics, and products used in insulation. **Proceeds**—For working capital ($235,358), with the balance for machinery, equipment, and general corporate purposes. **Office** — New Castle County Air Base, New Castle County, Del. **Underwriter**—Amos Treat & Co., Inc., New York City.

Riddle Airlines, Inc.
Aug. 19, 1960 filed $2,250,000 of 6% subordinated convertible debentures. **Price**—At 100% of principal amount. **Proceeds** — To be used as operating capital to fulfill M. A. T. S. contract, and to acquire aircraft. **Office**—International Airport, Miami, Fla. **Underwriter**—James H. Price & Co., Coral Gables, Fla., and New York City.

● Riegel Paper Corp. (10/27)
Septp. 29, 1960 filed $10,000,000 of sinking fund debentures, due 1985. **Price**—To be supplied by amendment. **Proceeds**—For the repayment of bank loans, to finance a new plant, and for general corporate purposes. **Office** —260 Madison Avenue, N. Y. C. **Underwriter**—Morgan Stanley & Co., New York City (managing).

● Robosonics, Inc. (10/24-28)
Sept. 14, 1960 filed 180,000 shares of common stock (par 25 cents). **Price**—$5 per share. **Business**—The company makes and sells an automatic telephone answering device, and an automatic intelligence reproduction machine. **Proceeds**—For general corporate purposes. **Office** —22 W. 48th St., New York City. **Underwriter**—Mandell & Kahn, Inc., New York City.

Roller Derby TV, Inc.
March 30 filed 277,000 shares of common stock, of which 117,000 shares are to be offered for public sale by the issuing company, and the remaining 145,000 shares will be sold for the account of certain selling stockholders. **Price**—To be supplied by amendment. **Proceeds**—For general corporate purposes relating to the production and sales of motion picture films of the Roller Derby, and the balance for working capital. **Office**—4435 Woodley Ave., Encino, Calif. **Underwriter**—To be supplied by amendment.

Rotron Manufacturing Co., Inc. (11/7-11)
Sept. 21, 1960 filed 130,000 shares of common stock (par 5 cents), of which 65,000 shares are to be offered for the account of the issuing company and 65,000 shares representing outstanding stock, are to be offered for the account of the present holders thereof. **Price**—To be supplied by amendment. **Business**—Makes air and gas moving devices for military and industrial use. **Proceeds**—For inventory, expansion, and debt reduction. **Office**—7-9 Hasbrouch Lane, Woodstock, N. Y. **Underwriter**—W. E. Hutton & Co., New York City (managing).

Sampson-Miller Associated Companies, Inc.
Sept. 28, 1960 filed 150,000 shares of common stock. **Price**—To be supplied by amendment. **Proceeds**—To retire indebtedness, develop acreage, and to finance the increased use of instalment sales contracts, with the balance to finance the purchase of additional property. **Office**—Pitcairn, Pa. **Underwriter** — Moore, Leonard & Lynch, Pittsburgh, Pa. (managing). **Offering**—Expected in mid-November.

● Saucon Development Corp.
April 28 (letter of notification) an undetermined number of shares of common stock (par $1) not to exceed $300,000. **Price**—To be supplied by amendment. **Proceeds**—For mining expenses. **Office** — c/o Wallace F. McQuade, Pres., 246 Beaconsfield Blvd., Beaconsfield, Quebec, Canada. **Note**—This issue is to be withdrawn.

Save-Co Veterans & Services & Department Stores, Inc.
Sept. 26, 1960 filed 163,636 shares of common stock, of which 127,273 shares are to be offered for the account of the issuing company and 36,363 shares, representing outstanding stock, are to be offered for the account of the present holders thereof. **Price** — To be supplied by amendment. **Business** — The company operates a department store and gasoline service station the use of which is restricted primarily to veterans, military personnel, employees of non-profit organizations, and employees of firms doing government contract work. **Proceeds**—For general corporate purposes, including debt reduction and working capital. **Office**—3176 Frontier St., San Diego, Calif. **Underwriter** — Dempsey-Tegeler & Co., St. Louis, Mo. (managing). **Offering**—Expected in early November.

● Scantlin Electronics, Inc. (10/24-28)
Aug. 29, 1960 filed 275,000 shares of no par common stock, of which 175,000 shares are to be offered for the account of the issuing company, 75,000 shares for the account of selling stockholders, and 25,000 shares may be optioned by the underwriters. **Price**—To be supplied by amendment. **Business** — The company makes, sells, and leases proprietary electronic devices. **Proceeds**—For general corporate purposes, including the reduction of indebtedness. **Office** — 2215 Colby Ave., Los Angeles, Calif. **Underwriters**—Carl M. Loeb, Rhoades & Co. and Paine, Webber, Jackson & Curtis, both of New York City (managing).

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Scharco Manufacturing Corp.
Sept. 13, 1960 (letter of notification) 60,000 shares of common stock (par 10 cents). **Price** — $5 per share. **Business** — Manufacturers of baby carriages, strollers, high-chairs, feed and play tables, doll carriages, toy chests and similar products. **Proceeds**—For general corporate purposes. **Office**—117 N. Third Avenue, Mt. Vernon, N. Y. **Underwriter** — L. C. Wegard & Co., U. S. Highway 130 W, Burlington, N. J. **Offering**—Expected in November.

School Pictures, Inc.
Sept. 28, 1960 filed 100,000 outstanding shares of common stock. **Price**—To be supplied by amendment. **Proceeds**—To selling stockholders. **Office** — 1610 North Mill St., Jackson, Miss. **Underwriters**—Equitable Securities Corp. of New York City, and Kroeze, McLarty & Co., of Jackson, Miss.

● **Scott, Foresman & Co. (10/24-28)**
Sept. 21, 1960 filed 683,000 shares of outstanding common stock (no par). **Price**—To be supplied by amendment. **Business**—Publishing school textbooks. **Proceeds**—To selling stockholders. **Office** — 433 East Erie St., Chicago, Ill. **Underwriter** — Smith, Barney & Co. Inc., New York City (managing).

Seaboard & Western Airlines, Inc. (11/1)
Sept. 28, 1960 filed 704,160 shares of common stock to be offered for subscription by holders of its common stock on the basis of two new shares for each share held. Also filed were $4,000,000 of 6% debentures, due July 1, 1970, with warrants for the purchase of 866,041 common shares. **Price**—To be supplied by amendment. **Proceeds**—Payments to creditors, purchase of new aircraft and engines, payment of notes, and the balance for working capital. **Office**—New York International Airport, Jamaica, L. I., N. Y. **Underwriter**—Carl M. Loeb, Rhoades & Co., New York City.

Security Annuity Life Insurance Co.
Sept. 8, 1960, filed 300,000 shares of common stock. **Price**—$7 per share. (The issuer's subsidiary, Annuity Life Insurance Co., which will register with the SEC as an open end diversified management investment company, was a partner in the registration.) **Business**—The sale of various forms of life insurance, annuities, and health and accident insurance. **Proceeds**—For general corporate purposes. **Office**—713 Marion E. Taylor Building, Louisville, Ky. **Underwriter**—None.

Self Service Drug Corp.
Sept. 26, 1960 (letter of notification) $150,000 of 10-year 6% convertible debentures and 75,000 shares of common stock (no par) to be offered in units of $100 of debentures and 50 shares of common stock. **Price** — $200 per unit. **Proceeds** — To move and equip a new warehouse; pay off certain bank indebtedness and for new lines. **Office**—2826 Mt. Carmel Ave., N. Hills, Glenside, Pa. **Underwriter**—Woodcock, Moyer, Fricke & French, Inc., Philadelphia, Pa.

Seven Mountain Corp.
Aug. 12, 1960 filed 3,500,000 shares of common stock. **Price**—$1 per share. **Business**—To construct an all-year resort area and a gondola-type aerial cableway, southeast of Provo, Utah, in the Wasatch Mountains. **Proceeds**—For the purchase of property, construction and equipment, retirement of notes, and the balance for working capital. **Office**—240 East Center St., Provo, Utah. **Underwriter**—Whitney & Co., Salt Lake City, Utah.

Sexton (John) & Co. (11/14-18)
Sept. 26, 1960 filed 200,000 shares of common stock (no par), of which 33,000 shares are to be offered for the account of the issuing company and 167,000 shares, representing outstanding stock, are to be sold for the account of the present holders thereof. **Price**—To be supplied by amendment. **Business**—Food distribution, chiefly to institutions. **Proceeds**—For general corporate purposes. **Office**—Chicago, Ill. **Underwriter**—Hornblower & Weeks, New York City (managing).

★ **Shatterproof Glass Corp.**
Oct. 12, 1960 filed 100,000 shares of common stock (par $1), of which 50,000 shares are to be offered for the account of the issuing company and 50,000 shares, representing outstanding stock, are to be offered for the account of the present holders thereof. **Price**—To be supplied by amendment. **Business**—The company makes and sells laminated safety plate and sheet glass, primarily to the automotive replacement market, and sells its products for use as original equipment to bus, truck, television, and farm and road equipment manufacturers. **Proceeds**—To repay current short-term bank loans incurred to supplement working capital. **Office** — 4815 Cabot St., Detroit, Mich. **Underwriters**—Dempsey-Tegeler & Co., St. Louis, Mo., and Straus, Blosser & McDowell, Chicago, Ill. (managing).

● **Simon Hardware Co. (10/31-11/4)**
Sept. 9, 1960, filed $900,000 of sinking fund debentures, due Sept. 30, 1972, with warrants, and 70,000 shares of common stock, to be offered in units of a $1,000 debenture and warrants to purchase 100 common shares. **Price**—To be supplied by amendment. **Business**—The firm sells a diversified line of consumer goods through a store in Oakland, Calif., and proposes to open additional stores in Hayward and Walnut Creek. **Proceeds**—To reduce bank borrowings and for equipping the new stores. **Office**—800 Broadway, Oakland, Calif. **Underwriter**—J. S. Strauss & Co., San Francisco, Calif. (managing).

● **Simplex Wire & Cable Co. (11/1-4)**
Sept. 28, 1960 filed 118,000 shares of outstanding capital stock. **Price**—To be supplied by amendment. **Office**—Cambridge, Mass. **Underwriter**—Paine, Webber, Jackson & Curtis, New York City (managing).

Solitron Devices, Inc.
Sept. 9, 1960 filed $400,000 of 6% subordinated convertible debentures, due 1967. **Price**—At par. **Business**—The company makes and sells solid state devices. **Proceeds**—For general corporate purposes. **Office**—67 South Lexington Ave., White Plains, N. Y. **Underwriter**—Casper Rogers & Co., New York City.

★ **South Central Natural Gas Corp.**
Oct. 13, 1960 filed 250,000 shares of common stock (par 10 cents). **Price**—$3 per share. **Business**—The company, which was organized in June 1960, is in the business of producing natural gas and oil. **Proceeds** — For working capital, with the balance for rental payments, loan repayments, drilling, and related expenditures. **Office**—1300 Oil & Gas Bldg., New Orleans, La. **Underwriter**—Willis E. Burnside & Co., Inc., New York City. **Offering**—Expected in early November.

● **Southern Nevada Power Co. (10/26)**
Aug. 26, 1960 filed $5,000,000 of first mortgage bonds, series E, due 1990. **Proceeds**—For construction and repayment of bank loans. **Office**—P. O. Box 230, Las Vegas, Nev. **Underwriter** — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co., Inc.; White, Weld & Co.; Eastman Dillon, Union Securities & Co.; Kidder, Peabody & Co. **Bids**—Expected on Oct. 26 at 11:00 a.m. EDT at the offices of Shearman & Sterling & Wright, 18th floor, 20 Exchange Place, New York City.

★ **Southwest Associated Furniture Buyers, Inc.**
Oct. 5, 1960 (letter of notification) 200 shares of common stock (no par) to be offered to dealers. **Price**—$100 per share. **Proceeds** — To purchase supplies and equipment and for working capital. **Office** — 201 E. Chambers St., Cleburne, Tex. **Underwriter**—None.

Southwestern Capital Corp.
Sept. 30, 1960 filed 1,000,000 shares of common stock. **Price**—$3 per share. **Business**—A closed-end investment company. **Proceeds**—For investment purposes. **Office**—1326 Garnet Ave., San Diego, Calif. **Underwriter**—None.

Southwestern Oil Producers, Inc.
March 23 filed 700,000 shares of common stock. **Price**—$2 per share. **Proceeds**—For the drilling of three wells and the balance for working capital. **Office**—2720 West Mockingbird Lane, Dallas. **Underwriter** — Elmer K. Aagaard, 6 Salt Lake Stock Exchange Bldg., Salt Lake City, Utah.

Speedry Chemical Products Inc. (12/1)
Sept. 28, 1960 filed $2,000,000 of convertible subordinated debentures, due Nov. 30, 1975, and 60,000 shares of class A common stock (50c par). **Prices**—To be supplied by amendment. **Business**—The company makes special purpose inks and devices used in their application. **Proceeds**—For expansion, acquisitions, and the retirement of bank loans. **Office** — 91-31 121st St., Richmond Hill, Queens, L. I., N. Y. **Underwriter** — S. D. Fuller & Co., New York City (managing).

Spier Electronics, Inc.
Aug. 24, 1960 (letter of notification) 60,000 shares of common stock (par 10 cents). **Price**—$5 per share. **Business** — Manufacturers of electronic products. **Price** — $5 per share. **Proceeds** — For general corporate purposes. **Office**—1949-51 McDonald Ave., Brooklyn, N. Y. **Underwriter**—D'Amico & Co., Inc., 15 William St., New York, N. Y. **Offering**—Imminent.

● **Stancil-Hoffman Corp. (10/31-11/4)**
Sept. 30, 1960 filed 150,000 shares of capital stock. **Price**—$2 per share. **Business** — The research, development, manufacture, and sale of magnetic recording equipment. **Office** — 921 North Highland Ave., Hollywood, Calif. **Underwriter**—Pacific Coast Securities Co., San Francisco, Calif.

● **Standard Instrument Corp. (10/31-11/4)**
Aug. 26, 1960 (letter of notification) 50,000 shares of common stock (par 20 cents). **Price**—To be supplied by amendment. **Business**—Manufacturers of electrical devices. **Proceeds**—For general corporate purposes. **Office**—657 Broadway, New York 21, N. Y. **Underwriter** — Havener Securities Corp., New York, N. Y.

● **Standard Pressed Steel Co. (11/14-18)**
Sept. 27, 1960 filed 112,760 shares of outstanding common stock. **Price**—To be supplied by amendment. **Proceeds**—To selling stockholders. **Office**—Jenkintown, Pa. **Underwriter**—Kidder, Peabody & Co., New York City (managing).

Starfire Boat Corp.
Sept. 1, 1960 (letter of notification) 70,000 shares of common stock (par 10 cents). **Price**—$4.25 per share. **Proceeds**—For working capital. **Office**—809 Kennedy Bldg., Tulsa, Okla. **Underwriters**—Batten & Co., Washington, D. C. and F. R. Burns & Co., Oklahoma City, Okla.

● **Stephan Co. (10/24-28)**
Sept. 2, 1960 filed 150,000 shares of common stock (par 50 cents). **Price**—$4 per share. **Business**—The manufacture and sale of men's hair lotions, shampoos, after shave preparations, and toilet waters. **Proceeds**—$250,000 for advertising and sales promotion, primarily for new products with the balance for general corporate purposes. **Office**—Professional Bldg., Ft. Lauderdale, Fla. **Underwriter**—D. Gleich & Co., New York City.

● **Still-man Manufacturing Corp. (10/31)**
Aug. 22, 1960 filed 150,000 outstanding shares of class A stock (par 75 cents). **Price**—To be supplied by amendment. **Business** — The company makes heating elements for small appliances and components for major appliances, and related items. **Proceeds**— To selling stockholders. **Office**—429-33 East 164 St., New York City. **Underwriter**—Francis I. duPont & Co., New York City.

Stop & Shop, Inc. (11/15)
Sept. 23, 1960 filed 625,000 shares of outstanding $1 par common stock. **Price** — To be supplied by amendment. **Business** — The firm operates 118 self-service supermarkets in New England. **Proceeds**—To selling stockholders, the Rabb family. **Office**—393 D St., Boston, Mass. **Underwriters** — Lehman Brothers and Merrill Lynch, Pierce, Fenner & Smith Inc., both of New York City (managing).

Straus-Duparquet Inc.
Sept. 28, 1960 filed $1,000,000 of 7% convertible subordinated debentures, due 1975. **Price**—At par. **Office**—New York City. **Underwriter**—None; the offering will be made through officials and employees of the company.

● **Sulray, Inc. (11/14-18)**
Sept. 20, 1960 (letter of notification) 100,000 shares of common stock (par 10 cents). **Price**—$3 per share. **Business**—Manufacturers of specialized drugs. **Proceeds**—For general corporate purposes. **Office**—273 Columbus Ave., Tuckahoe, N. Y. **Underwriters**—J. A. Winston & Co., Inc. and Netherlands Securities Co., Inc., New York, N. Y.

● **Summers Gyroscope Co. (10/24-28)**
Aug. 29, 1960 filed 6,403,215 shares of common stock, of which 5,702,878 shares are to be offered by Atlas Corp. to the holders of its outstanding common on the basis of one Summers share for each two Atlas shares held, and 700,337 shares to be offered by Mertronics Corp. to its stockholders on a share-for-share basis. **Price**—75 cents per share. **Purpose**—The purpose of the offering is to effect a divestiture by Atlas and Mertronics of their 71.1% interest in Summers in order to dispose of matters pending before the CAB. **Office**—2500 Broadway Ave., Santa Monica, Calif. **Underwriter**—None.

Tech Laboratories, Inc.
Sept. 28, 1960 (letter of notification) 84,000 shares of common stock (par 10 cents). **Price**—$3 per share. **Business**—Manufacturers of precision instruments. **Proceeds**—For general corporate purposes. **Office**—Bergen & E. Edsall Blvds., Palisades Park, N. J. **Underwriters**—Carroll Co., and Dewey, Johnson & Co., New York, N. Y.

Tech-Ohm Electronics, Inc.
June 29, 1960, (letter of notification) 100,000 shares of common stock (par 10 cents). **Price**—$3 per share. **Proceeds**—For general corporate purposes. **Office**—36-11 33rd Street, Long Island City, N. Y. **Underwriter** — Edward Lewis Co., Inc., New York, N. Y. **Note**—This issue was refiled on Sept. 6.

● **Techni Electronics, Inc. (10/24-25)**
Aug. 10, 1960 (letter of notification) 112,500 shares of common stock (par 10c). **Price**—$2 per share. **Business**—The firm makes health and massage equipment, electric housewares, and medical electronic equipment. **Proceeds**—For expansion, working capital, and research and development expenditures. **Office**—71 Crawford St., Newark, N. J. **Underwriter** — United Planning Corp., 1180 Raymond Blvd., Newark, N. J.

Telecolor
July 25, 1960 (letter of notification) 150,000 shares of common capital stock (par 25 cents) of which 100,000 shares are to be offered by officers. **Price**—$2 per share. **Proceeds**—To lease equipment and for working capital. **Office** — 7922 Melrose Ave., Hollywood, Calif. **Underwriter**—Raymond Moore & Co.. Los Angeles, Calif.

● **Telephone & Electronics Corp. (11/7-10)**
Aug. 18, 1960 (letter of notification) 52,980 shares of common stock (par 25 cents). **Price**—$5 per share. **Proceeds**—For general corporate purposes. **Business**—Electronic communications equipment and automatic, loud-speaking telephone. **Office**—7 East 42nd St., New York 17, N. Y. **Underwriter**—Equity Securities Co., New York, N. Y.

● **Tele-Tronics Co. (10/31-11/4)**
Aug. 10, 1960 (letter of notification) 100,000 shares of common stock (par 40 cents). **Price**—$3 per share. **Proceeds**—For plant expansion, additional machinery, acquisition of new facilities and working capital. **Office**—180 S. Main St., Ambler, Pa. **Underwriter**—Woodcock, Moyer, Fricke & French, Inc., Philadelphia, Pa.

● **Telex, Inc. (11/10-25)**
Sept. 27, 1960 filed 196,000 shares of common stock, of which 125,000 shares are to be offered to holders of the outstanding common on the basis of one new share for each five shares held. **Price**—To be supplied by amendment. **Proceeds**—For general corporate purposes, including the retirement of $1,100,000 in outstanding notes. **Office**—Minneapolis, Minn. **Underwriter** — Lee Higginson Corp., New York City (managing).

● **Tenax, Inc. (10/31-11/4)**
Aug. 16, 1960, filed $1,500,000 of 10-year 6% convertible subordinated debentures, due 1970. **Price** — 100% of principal amount. **Business**—The sale, stocking and financing of freezers. **Proceeds**—Repayment of short-term indebtedness and working capital. **Office**—575 Lexington Avenue, New York City. **Underwriter** — Myron A. Lomasney & Co., New York City.

Terry Shops, Inc.
Sept. 29, 1960 (letter of notification) 60,000 shares of common stock (par 10 cents). **Price**—$5 per share. **Business**—Operators of a chain of retail stores for wearing apparel for women, misses and children. **Proceeds**—For general corporate purposes. **Office**—560 Belmont Ave., Newark, N. J. **Underwriter** — Whitmore, Bruce & Co., New York, N. Y.

● **Texas Butadiene & Chemical Corp. (11/14-18)**
Oct. 6, 1960 filed 635,800 shares of common stock, of which 296,000 will be offered publicly, 125,467 shares will be offered for the account of selling stockholders, and the balance will be issued in exchange for the issuer's outstanding preferred stock. **Price**—To be supplied by amendment. **Proceeds**—For working capital and gen-

eral corporate purposes. **Office**—529 Fifth Avenue, New York City. **Underwriters**—Blyth & Co., Inc. and Lehman Brothers.

Texas Research & Electronic Corp.
Oct. 3, 1960 filed 600,000 shares of common stock. **Price**—$1.15 per share. **Business**—Engaged in various phases of electronics. **Proceeds**—For acquisition of small businesses. **Office**—Meadows Bldg., Dallas, Tex. **Underwriter**—Naftalin & Co., Inc., Minneapolis, Minn.

Therm-Air Mfg. Co., Inc.
Sept. 13, 1960 filed 125,000 shares of common stock (par 10 cents). **Price**—$4 per share. **Business**—The company makes and sells temperature and humidity control equipment for military and commercial use. **Proceeds**—To pay loans, for research and development, and for working capital. **Office**—1000 North Division St., Peekskill, N. Y. **Underwriter**—G. Everett Parks & Co., Inc., New York City. **Offering**—Expected in late November.

Tip Top Products Co.
Oct. 4, 1960 filed 60,000 shares of class A common stock **Price**—To be supplied by amendment. **Address**—Omaha, Neb. **Underwriters**—J. Cliff Rahel & Co., Omaha, Neb. and First Trust Co. of Lincoln, Lincoln, Neb.

Transitron Electronics Corp. (10/25-28)
Sept. 9, 1960, filed 1,250,000 shares of outstanding common stock (par $1). **Price**—To be supplied by amendment. **Proceeds** — To selling stockholders. **Office** — 168 Albion St., Wakefield, Mass. **Underwriter** — Merrill Lynch, Pierce, Fenner & Smith Inc., New York City (managing).

● **Transitubes Electronics, Inc. (10/24-28)**
Sept. 22, 1960 (letter of notification) 200,000 shares of common stock (par 10 cents). **Price**—$1 per share. **Proceeds**—To purchase a building, tools and other necessary equipment for operation and for working capital. **Office**—501 N. W. 54th St., Mimi, Fla. **Underwriter**—Blaha & Co., Inc., Long Island City, N. Y.

● **Trout Mining Co.**
Aug. 22, 1960 filed 296,579 shares of $1 par common stock (with warrants), to be offered to holders of the outstanding common on the basis of four new shares for each five shares held. **Price**—$1 per share. **Business**—The company is engaged in the mining of silver, lead, zinc, and manganese dioxide. **Proceeds**—For working capital, to repay a bank loan, and for exploration and development of ore bodies. **Office**—233 Broadway, New York City. **Underwriter**—None.

Ultra-Sonic Precision Co. Inc. (10/31-11/4)
Sept. 27, 1960 (letter of notification) 100,000 shares of common stock (par 10 cents). **Price**—$2 per share. **Business**—Manufacturers of precision carbon jigs for transistors and transistor components. **Proceeds** — For general corporate purposes. **Office**—236 Fourth Ave., Mt. Vernon, N. Y. **Underwriter** — Merritt, Vickers, Inc., New York, N. Y.

United Bowling Centers, Inc. (11/15)
Sept. 28, 1960 filed 200,000 shares of common stock (par $1). **Price**—To be supplied by amendment. **Proceeds**—For construction, equipment and acquisition of bowling centers. **Office** — 1055 W. Genesee St., Syracuse, N. Y. **Underwriters**—Emanuel, Deetjen & Co., and Hill, Darlington & Co., both of New York City (managing).

● **United ElectroDynamics, Inc.**
Aug. 22, 1960 filed 169,500 shares of common stock, of which 156,000 shares are to be offered for the account of the issuing company and 13,500 shares, representing outstanding stock, are to be offered for the account of the present holders thereof. **Price** — To be supplied by amendment. **Business**—The company is engaged primarily in the development and manufacture of electronic measurement instruments, and in nuclear detection work relating to the earth sciences. **Proceeds** — To liquidate $800,000 of bank indebtedness, with the balance for general funds. **Office**—200 Allendale Road, Pasadena, Calif. **Underwriter** — William R. Staats & Co., Los Angeles, Calif. (managing).

United Gas Corp. (10/31)
Sept. 28, 1960 filed $30,000,000 of sinking fund debentures, due 1980, and $30,000,000 of first mortgage bonds. **Office**—1525 Fairfield Avenue, Shreveport, La. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; First Boston Corp.; Harriman Ripley & Co., and Goldman, Sachs & Co. (jointly); White, Weld & Co. and Equitable Securities Corp. (jointly). **Bids**—Expected Oct. 31 in room 2033, 2 Rector St., New York City, up to 11:30 a.m. **Information Meeting**—Scheduled for Oct. 26 at 10:30 a.m., 2 Rector Street, New York City, Room 240.

United Industries Co., Inc.
Sept. 27, 1960 filed $500,000 of 6% convertible serial subordinated debentures. **Price**—At par. **Business**—The issuer's major activity is the warehousing of grain under contract to the U. S. Commodity Credit Corp. **Proceeds**—For expansion, working capital, and loans to subsidiaries. **Office**—1235 Shadowdale, Houston, Texas. **Underwriter**—Dempsey-Tegeler & Co., St. Louis, Mo. **Offering**—Expected in late October.

United Pacific Aluminum Corp.
Aug. 24, 1960 filed $7,750,000 of convertible subordinated debentures, due 1975. **Price**—To be supplied by amendment. **Proceeds**—Together with other funds, the proceeds will be used to pay for the erection of a primary aluminum reduction facility. **Office** — Los Angeles, Calif. **Underwriter**—Straus, Blosser & McDowell, Chicago, Ill. (managing).

Urban Development Corp.
Aug. 30, 1960 filed 300,000 shares of common stock (no par). **Price**—$10 per share. **Proceeds**—For general corporate purposes, including debt reduction. **Office**—Memphis, Tenn. **Underwriter** — Union Securities Investment Co., Memphis, Tenn.

Utah Gas Service Co.
Aug. 25, 1960 filed $800,000 of 6% first mortgage sinking fund bonds, due Oct. 1, 1975, of which $300,000 will be used for debentures refunding and $500,000 are to be publicly offered. **Price**—At par. **Proceeds**—$440,000 will be used to retire certain outstanding indebtedness. **Office**—511-12 Desert Bldg., Salt Lake City, Utah. **Underwriter**—The First Trust Co. of Lincoln, Nebr.

Vacudyne Associates, Inc. (11/14-18)
Sept. 30, 1960 (letter of notification) 200,000 shares of common stock (par 10 cents). **Price**—$1 per share. **Business**—Distributors of radio and TV receiving tubes and owner of Transletesonic Inc. which manufactures electronic tubes. **Proceeds**—For general corporate purposes. **Office**—397 Seventh Ave., Brooklyn, N. Y. **Underwriters**—Kenneth Kass; H. S. Simmons & Co., Inc. and B. N. Rubin & Co., Inc., New York, N. Y.

● **Valdale Co., Inc.**
July 27, 1960 (letter of notification) 100,000 shares of common stock (par 10 cents). **Price**—$3 per share. **Proceeds** — To pay accounts payable, reduce a bank loan, advertising and for working capital. **Office**—Red Lion, Pa. **Underwriters**—B. N. Rubin & Co. and H. S. Simmons & Co. both of New York City.

● **Vector Industries, Inc.**
Aug. 29, 1960 (letter of notification) 150,000 shares of common stock (par 10 cents). **Price**—$2 per share. **Proceeds**—To pay in full the remainder of such subscription to capital stock of International Data Systems, Inc. and to retire outstanding notes. **Office**—2321 Forest Lane, Garland, Tex. **Underwriter**—Hauser, Murdoch, Rippey & Co., Dallas, Tex. **Offering**—Postponed.

● **Vibration Mountings & Controls, Inc.**
Sept. 29, 1960 filed 150,000 shares of common stock (par 10 cents). **Price**—$3.50 per share. **Proceeds**—For research and development; expansion; purchase of inventory; working capital and general corporate purposes. **Office**—98-25 50th Ave., Corona, L. I., N. Y. **Underwriter**—Michael G. Kletz & Co., Inc., New York, N. Y. **Offering**—Expected in late November.

● **Victor Paint Co.**
Oct. 18, 1960 filed 130,000 shares of common stock of which 95,000 shares are to be offered for the account of the issuing company and 35,000 shares, representing outstanding stock, for the account of the present holders thereof. **Price**—To be supplied by amendment. **Proceeds**—For general corporate purposes, including the opening of additional stores in the metropolitan Detroit area. **Office** — Detroit, Mich. **Underwriter** — Charles Plohn & Co., New York City (managing).

★ **Waterman Products Co., Inc. (10/24-28)**
Oct. 4, 1960 (letter of notification) a maximum of $100,000 of common stock (par $1). **Price**—At-the-market. **Proceeds**—To go to a selling stockholder. **Office**—Emerald & Hagert Streets, Philadelphia, Pa. **Underwriter** — Stroud & Co., Inc., Philadelphia, Pa.

Weatherford, R. V., Co. (11/1)
Sept. 26, 1960 filed 180,000 shares of capital stock (no par), of which 90,000 shares are to be offered for the account of the issuing company and 90,000 shares, representing outstanding stock, are to be offered for the account of R. V. Weatherford, President. **Price**—To be supplied by amendment. **Business** — Distributes electronic parts and equipment, primarily in the 11 western states. **Proceeds** — For debt reduction, inventory, and accounts receivable. **Office**—6921 San Fernando Road, Glendale, Calif. **Underwriter**—Blyth & Co., Inc., New York City (managing).

Webb (Del E.) Corp. (11/1-4)
Sept. 21, 1960 filed $8,000,000 of convertible subordinated debentures, due October 1975, 640,000 shares of common stock, and warrants for the purchase of 320,000 shares of such stock. These securities will be offered in units, each unit to consist of $50 principal amount of debentures, four common shares, and warrants for the purchase of two common shares. **Price**—To be supplied by amendment. **Business** — Real estate, construction, property and community development, and manufacturing. **Proceeds**—For property improvements. **Office**—302 South 23rd Ave., Phoenix, Ariz. **Underwriter**—Lehman Brothers, New York City (managing).

Welded Tube Co. of America (10/25)
Aug. 31, 1960 filed 140,000 shares of class A common stock (par $1). **Price**—$6 per share. **Business**—The manufacture and sale of electrical resistance steel tubing. **Proceeds** — $100,000 will be applied to reduction of a $600,000 revolving bank credit, $200,000 for new equipment and machinery, and the balance for general corporate purposes, including working capital. **Office**—2001 S. Water St., Philadelphia, Pa. **Underwriter**—H. Hentz & Co., New York City (managing).

Western Factors, Inc.
June 29, 1960, filed 700,000 shares of common stock. **Price**—$1.50 per share. **Proceeds**—To be used principally for the purchase of additional accounts receivable and also may be used to liquidate current and long-term liabilities. **Office** — 1201 Continental Bank Bldg., Salt Lake City, Utah. **Business**—Factoring. **Underwriter**—Elmer K. Aagaard, Newhouse Bldg., Salt Lake City, Utah.

Western Transistor Corp.
Sept. 27, 1960 (letter of notification) 100,000 shares of common stock (par 75 cents). **Price**—$3 per share. **Proceeds**—To retire a bank loan, research and development, additional machinery and equipment and for working capital. **Office**—13021 S. Budlong Ave., Gardena, Calif. **Underwriter**—Francis J. Mitchell, Newport Beach, Calif.

★ **Westminster Fund, Inc.**
Oct. 14, 1960 filed 4,000,000 shares of capital stock. **Business**—This is a new mutual fund, and its intention is to offer holders of at least $25,000 worth of acceptable securities the opportunity of exchanging each $12.50 worth of such securities for one share in the Fund, which will receive a maximum commission of 4%. **Office**—Westminster at Parker, Elizabeth, N. J. **Investment Advisor**—Investors Management Co. **Dealer - Manager**—Kidder, Peabody & Co., New York City. **Offering**—Expected in early December.

● **White Avionics Corp. (10/24-28)**
Sept. 6, 1960 (letter of notification) 150,000 shares of common stock (par 10 cents). **Price**—$2 per share. **Business**—Manufacturers of missiles and aircraft instrumentation. **Proceeds**—For general corporate purposes. **Office**—Terminal Dr., Plainview, L. I., N. Y. **Underwriter**—Planned Investing Corp., New York, N. Y. and Fidelity Investors Service, East Meadow, L. I. **Note** — This is a refiling of an issue originally filed last June 6 and subsequently withdrawn.

● **Whitmoyer Laboratories, Inc.**
Jan. 28 filed 85,000 shares of common stock and $500,000 of 6% subordinated debentures, due 1977, with warrants for the purchase of 10,000 additional common shares at $5 per share. **Price** — For the debentures, 100% of principal amount; for the 85,000 common shares, $6 per share. **Proceeds**—For general corporate purposes, including the reduction of indebtedness, sales promotion, and equipment. **Office**—Myerstown, Pa. **Underwriter**—Hallowell, Sulzberger, Jenks, Kirkland & Co., Philadelphia, Pa. **Offering**—Imminent.

● **Willer Color Television System, Inc. (11/7-10)**
Jan. 29 (letter of notification) 80,890 shares of common stock (par $1). **Price**—$3 per share. **Proceeds**—For general corporate purposes. **Office**—151 Odell Avenue, Yonkers, N. Y. **Underwriter**—Equity Securities Co., 39 Broadway, New York City.

Williamsburg Greetings Corp.
Aug. 26, 1960 filed 180,000 shares of common stock (par 25 cents). **Price** — $6 per share. **Business**—The company and its subsidiaries are engaged chiefly in the design, production, and sale of greeting cards. **Proceeds**—About $400,000 will be applied to the reduction of factoring advances, with the balance to be added to working capital. **Office**—3280 Broadway, New York City. **Underwriters** — Standard Securities Corp., New York City, and Bruno-Lenchner, Inc., Pittsburgh, Pa., and Amos Treat & Co., Inc., New York City.

Wisconsin Electric Power Co. (11/16)
Sept. 23, 1960 filed $30,000,000 of first mortgage bonds, series due 1990. **Proceeds**—For debt reduction and capital expenditures. **Office**—Milwaukee, Wis. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc., and Equitable Securities Corp. (jointly); Glore, Forgan & Co., Eastman Dillon, Union Securities & Co. and Harriman Ripley & Co., Inc. (jointly); The First Boston Corp., Lehman Brothers and Salomon Brothers & Hutzler (jointly); Blyth & Co. **Bids**—Expected to be received on Nov. 16 at 11:00 a.m.

WonderBowl, Inc.
April 14 filed 3,401,351 shares of common stock (par $2). **Price**—$2 per share. **Proceeds**—For purchase of certain property, for constructing a motel on said property and various leasehold improvements on the property. **Office**—7805 Sunset Boulevard, Los Angeles, Calif. **Underwriter**—Standard Securities Corp., same address.

Wood-Mosaic Corp. (11/7-11)
Sept. 27, 1960 filed 80,000 shares of class A common stock. **Price**—To be supplied by amendment. **Proceeds**—For working capital of the issuer and its subsidiary, Wood-Mosaic Industries, with the balance for debt reduction. **Office**—Louisville, Ky. **Underwriters**—Cruttenden, Podesta & Co., Chicago, Ill., and Berwyn T. Moore & Co., Inc., Louisville, Ky.

Yuscaran Mining Co.
May 6 filed 1,000,000 shares of common stock. **Price**— $1 per share. **Proceeds**—It is expected that some $100,000 will be used to purchase and install a mill for the processing of ore; $60,000 for mining rails, ties, rail cars and related equipment; $10.000 for rebuilding roads; $30,000 for transportation equipment; and $655,000 for working capital. **Office**—6815 Tordera St., Coral Gables, Fla. **Underwriter**—None. **Note**—The SEC has challenged the accuracy and adequacy of this statement. A hearing was scheduled for Aug. 29 at the request of the company counsel and the results have not as yet been announced.

● **Zurn Industries, Inc. (11/14-18)**
Sept. 26, 1960 filed 200,000 shares of common stock ($1 par), of which 100,000 shares are to be offered for the account of the issuing company and 100,000 shares, representing outstanding stock, are to be offered for the account of the present holders thereof. **Price**—To be supplied by amendment. **Business** — The manufacture of mechanical power transmission equipment, fluid control devices, building plumbing drainage products and research and development of a synchro-gear assembly for atomic submarines. **Proceeds**—For new equipment, the repayment of loans, and working capital. **Office**—Erie, Pa. **Underwriter**—Lee Higginson Corp., New York City (managing).

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Prospective Offerings

Acme Steel Co.
Oct. 3, 1960 it was reported that the sale of $10,000,000 of preferred stock is planned by the company for sometime later in the year. **Proceeds**—For expansion and modernization. **Office**—135th St. & Perry Ave., Chicago, Ill.

Alberta Gas Trunk Line Co., Ltd.
Sept. 1, 1960 A. G. Bailey, President, announced that new financing, mostly in the form of first mortgage bonds, is expected early in 1961. **Office** — 502-2nd St., S. W., Calgary, Alberta, Canada.

Alexander's Department Stores, Inc.
July 6 it was reported that this Bronx (N. Y.)-based retail chain is contemplating an issue of common stock. No confirmation was available.

Americana Properties, Inc.
Sept. 12, 1960 it was reported that October registration is expected of $600,000 of common stock. The company is in the real estate and bowling center business, and owns three bowling centers. **Proceeds**—For general corporate purposes. **Office**—Oakdale, L. I., N. Y. **Underwriter**—Plymouth Securities Corp., 92 Liberty St., New York 6, N. Y.

Arkansas Power & Light Co.
Sept. 20, 1960 it was announced that this subsidiary of Middle South Utilities, Inc. might issue $15,000,000 of first mortgage bonds sometime in the first quarter of 1961. **Underwriter** — To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Eastman Dillon, Union Securities & Co. and Equitable Securities Corp. (jointly); Blyth & Co. and Dean Witter & Co. (jointly); Lehman Brothers, Stone & Webster Securities Corp. and White, Weld & Co. (jointly); Merrill Lynch, Pierce, Fenner & Smith Inc.

Atlantic Transistor Corp.
Sept. 12, 1960 the company reported that it is contemplating filing its first public offering, consisting of a letter of notification covering an undetermined number of shares of its $1 par common stock. **Business** — The company makes and sells a "water-tight, unbreakable" marine radio known as the "Marlin 200." **Proceeds**—For the development of the "Marlin 300," which is to be a similarly constructed radio with a ship-to-shore band. **Office**—63-65 Mt. Pleasant Ave., Newark, N. J. **Underwriter**—Mr. Roth, Comptroller, states that he is actively seeking an underwriter to handle the offering. **Note**—The issuing company is a wholly-owned subsidiary of Auto-Temp Inc.

Automation Development, Inc.
Sept. 20, 1960 it was reported that a "Reg. A" filing, comprising this firm's first public offering is expected. **Note** — This firm was formerly carried in this column under the heading "Automation for Industry, Inc." **Proceeds**—For further development of the "Skyjector." **Office**—342 Madison Ave., New York City. **Underwriter**—Ross, Riemer, Collins & Co., Inc., 44 Beaver St., New York City.

Automation Labs Inc.
Sept. 14, 1960 it was reported that a "Reg A" filing is expected. **Business** — Electronics. **Office** — Westbury, L. I., N. Y. **Underwriters** — Sandkuhl and Company, Newark, N. J., and New York City, and J. I. Magaril & Co., New York City.

Baltimore Gas & Electric Co.
Oct. 3, 1960 it was reported that the utility expects to sell additional securities sometime during the first half of 1961, but no decision has been made as to type. **Office**—Lexington Building, Baltimore, Md.

● **Bekins Van & Storage Co.**
July 6 it was reported that this company is contemplating a common stock issue. **Office** — 1335 So. Figuroa Street, Los Angeles 15, Calif. **Note**—Oct. 18, 1960 it was reported that the offering will be made only to officers and employees.

Brooklyn Eagle Inc.
Oct. 5, 1960 it was reported that 70,000 shares of common stock will be filed. **Underwriter**—R. F. Dowd & Co., Inc., New York, N. Y.

Brooklyn Union Gas Co.
Sept. 21, 1960 G. C. Griswold, Vice-President and Treasurer, announced that there will be no further financing in 1960 but that $25,000,000 to $30,000,000 of mortgage bonds or preferred stock are expected in late 1961 or early 1962. **Office**—176 Remsen St., Brooklyn 1, N. Y.

California Asbestos Corp.
Sept. 28, 1960 it was reported that discussion is under way concerning an offering of about $300,000 of common stock. It has not yet been determined whether this will be a full filing or a "Reg. A." **Business**—The company, which is not as yet in operation but which has pilot plants, will mine and mill asbestos. **Proceeds**—To set up actual operations. **Address**—The company is near Fresno, Calif. **Underwriter**—R. E. Bernhard & Co., Beverly Hills, Calif.

★ **California Oregon Power Co.**
Oct. 18, 1960 it was reported that the company expects to come to market in late 1961 to raise about $12,000,000 in the form of bonds and common stock. **Proceeds**—For the repayment of bank loans. **Office**—216 W. Main St., Medford, Oregon.

Carbonic Equipment Corp.
Oct. 5, 1960 it was reported that a full filing of about $300,000 of units, consisting of common stock, bonds and warrants will be made sometime in November. **Proceeds**—For expansion of the business. **Office**—97-02 Jamaica Ave., Woodhaven, N. Y. **Underwriter**—R. F. Dowd & Co. Inc.

Casavan Industries
Sept. 21, 1960 it was reported by Mr. Casavena, President, that registration is expected of approximately $20,000,000 of common stock. **Business** — The company makes polystyrene and polyurethane for insulation and processes marble for construction. **Proceeds**—For expansion to meet $10,000,000 backlog. **Office**—250 Vreeland Ave., Paterson, N. J. **Underwriter**—To be named.

● **Chesapeake & Ohio Ry. (10/27)**
Oct. 11, 1960 it was reported that $3,750,000 of equipment trust certificates will be sold. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc. and Salomon Bros. & Hutzler. **Bids**—Expected on Oct. 27 at noon in Cleveland, Ohio.

Coca-Cola Co.
Sept. 22, 1960 it was announced that under the terms of the proposed acquisition of Minute Maid Corp. this company would issue about 906,400 shares of its common stock, each share of which will be exchanged for 2.2 Minute Maid shares. **Office**—Atlanta, Ga.

● **Colorado Interstate Gas Co.**
Oct. 17, 1960 it was reported by Mr. A. N. Porter of the company's treasury department that the company is awaiting a hearing before the full FPC with reference to approval of its application for expansion of its system, which will require about $70,000,000 of debt financing. Such approval is expected in December of this year, and the public financing is expected in the latter part of 1961. **Proceeds**—For expansion. **Office**—P. O. Box 1087, Colorado Springs, Colo.

● **Columbus & Southern Ohio Electric Co.**
Sept. 22, 1960 it was reported the company will sell about $10,000,000 additional common stock sometime in 1961. **Proceeds**—For expansion purposes. **Office**—215 N. Front St., Columbus 15, Ohio. **Underwriter**—Dillon, Read & Co.

Consolidated Edison Co. of New York, Inc. (11/22)
Sept. 8, 1960, the company announced that its application to the New York State Public Service Commission for permission to raise $75,000,000 through the sale of first and refunding mortgage bonds is expected sometime in October. **Proceeds**—For expansion. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Morgan Stanley & Co.; First Boston Corp. **Bids**—Expcted Nov. 22. **Information Meeting**—Scheduled for Nov. 16 at 10:00 a.m. at the company's office, 4 Irving Place, New York City.

Consumers Power Co. (12/12)
Sept. 14, 1960 it was reported that the company proposes to issue and sell first mortgage bonds in the amount of $35,000,000 maturing not earlier than 1990 for the best price obtainable but not less favorable to the company than a 5¼% basis. **Proceeds**—To be used to finance the continuing expansion and improvement of the company's electric and gas service facilities in a 65-county area outside of Greater Detroit. **Underwriter**—To be determined by competitive bidding. Probable bidders: For bonds—Halsey, Stuart & Co. Inc.; White, Weld & Co., and Shields & Co. (jointly); Morgan Stanley & Co.; The First Boston Corp., and Harriman Ripley & Co., Inc. **Bids**—Expected to be received on Dec. 12 up to 11:30 a.m. **Information Meeting**—Scheduled for Dec. 9 at 11:00 a.m., Bankers Trust Co., 16 Wall St., New York City, 12th fl.

Dallas Power & Light Co.
Sept. 14, 1960 it was stated by the company's president that there may possibly be some new financing during 1961, with no indication as to type and amount. **Office**—1506 Commerce Street, Dallas, Texas. **Underwriter**—To be determined by competitive bidding. Probable bidders: To be named.

Dodge Wire Manufacturing Corp.
Sept. 12, 1960 it was reported that October registration is expected of $600,000 of common stock. **Proceeds**—For general corporate purposes. **Office** — Covington, Ga. **Underwriter**—Plymouth Securities Corp., 92 Liberty St., New York 6, N. Y.

Dynacolor Corp.
Aug. 22, 1960 it was reported that new financing will take place in November or December. **Office**—1999 Mt. Read Blvd., Rochester, N. Y. **Underwriter**—The company's initial financing was handled by Lee Higginson Corp., New York City.

Dynamic Center Engineering Co., Inc.
Oct. 3, 1960 it was reported that the company plans a full filing of its $1 par common stock for sometime in November. **Proceeds**—To promote the sale of new products, purchase new equipment, and for working capital. **Office**—Norcross, Ga. **Underwriter**—To be named.

Dynamic Instrument Corp.
Oct. 5, 1960 it was reported that a full filing of approximately $300,000 of bonds, common stock and warrants is expected. **Proceeds**—For expansion and the manufacture of a new product. **Office**—Westbury, L. I. **Underwriter**—R. F. Dowd & Co. Inc.

Florida Power & Light Co.
June 1 it was announced that the company anticipates further financing in the fall of 1960 approximating $25,000,000 of an as yet undetermined type of security, and estimates that in 1961 it will require approximately $50,000,000 of new money. This company on May 31 floated a 400,000 common share offering through Merrill Lynch, Pierce, Fenner & Smith Inc. and associates at a price of $59.125 per share.

● **Ford Motor Credit Co.**
Oct. 17, 1960 it was reported that this company is developing plans for borrowing operations, which may include the issuance of debt securities, and possibly occur in the first quarter of 1961. **Office**—Detroit, Mich.

General Resistance, Inc.
Sept. 19, 1960 it was reported that the company will file a letter of notification, comprising its first public offering, in late December or early January. **Office** — 430 Southern Blvd., Bronx, N. Y.

Georgia Bonded Fibers, Inc.
Sept. 14, 1960 it was reported that October registration of 150,000 shares of common stock is expected. **Offices**—Newark, N. J., and Buena, Vista, Va. **Underwriter**—Sandkuhl and Company, Newark, N. J., and N. Y. City.

Goshen Farms Inc.
Oct. 5, 1960 it was reported that 100,000 shares of the company's common stock will be filed. **Proceeds**—For breeding trotting horses. **Office**—Goshen, N. Y. **Underwriter**—R. F. Dowd & Co. Inc.

● **Hawaiian Electric Co.**
July 25, 1960 it was reported that this utility contemplates the issuance of 250,000 shares of $20 par preferred stock ($5,000,000), perhaps to occur sometime this fall. **Office**—Honolulu, Hawaii. **Note**—This issue was placed privately on Oct. 17 by Dillon, Read & Co., Inc., and Dean Witter & Co.

● **Houston Lighting & Power Co.**
Oct. 17, 1960 Mr. T. H. Wharton, President, stated that between $25-$35 million dollars is expected to be raised publicly sometime in 1961, probably in the form of preferred and debt securities, with the precise timing depending on market conditions. **Proceeds**—For construction and repayment of bank loans. **Office** — Electric Building, Houston, Texas. **Underwriter** — Previous financing was headed by Lehman Brothers, Eastman Dillon, Union Securities & Co. and Salomon Bros. & Hutzler.

Indianapolis Power & Light Co.
According to a prospectus filed with the SEC on Aug. 25, the company plans the sale of about $14,000,000 of additional securities in 1963. **Office** — 25 Monument Circle, Indianapolis, Ind.

Industrial Gauge & Instrument Co.
Oct. 5, 1960 it was reported that 100,000 shares of common stock will be filed. **Proceeds** — Expansion of the business, and for the manufacture of a new product by a subsidiary. **Office**—1947 Broadway, Bronx, N. Y. **Underwriter**—R. F. Dowd & Co. Inc.

Iowa-Illinois Gas & Electric Co.
June 23, 1960, it was announced that the company's sale of $15,000,000 of first mortgage bonds in April of this year will carry it through the better part of 1960. The company plans some bank borrowing before the end of the year and expects to be in market again sometime in 1961, probably also for senior debt securities.

Iowa Power & Light Co.
Oct. 5, 1960 it was reported that the board of directors had approved a $15,000,000 financing plan, to consist of $10,000,000 of first mortgage bonds and additional common stock. **Proceeds** — For the acquisition of property and the retirement of short-term loans. **Office** — Des Moines, Iowa.

★ **Japanese Telephone & Telegraph Co.**
Oct. 17, 1960 it was reported that a $20,000,000 offering is expected to be made in the U. S. early in 1961. **Underwriters** — Dillon, Read & Co., First Boston Corp. and Smith, Barney & Co. (managing).

★ **Kawasaki Steel Co., Ltd.**
Oct. 17, 1960 it was reported that the Japanese company is considering a $4,000,000 bond issue for U. S. offering. **Underwriter**—First Boston Corp., New York City.

Laclede Gas Co.
May 10 it was announced that in addition to the $15,000,000 of new capital provided by the July bond-equity financing, $33,000,000 will come from later sale of securities other than common stock and from retained earnings.

Lone Star Gas Co.
Aug. 3, 1960, it was reported that about $37,000,000 will be raised to cover capital requirements over the next year. **Office**—301 So. Harwood Street, Dallas 1, Texas.

Loral Electronics Corp.
Sept. 1, 1960 it was reported that November registration is expected of up to $5,000,000 of convertible debentures. **Office**—New York 72, N. Y. **Underwriters**—Kidder, Peabody & Co. and Model, Roland & Stone, both of New York City. **Offering**—Expected in December.

Martin Paints & Wallpapers
Aug. 29, 1960 it was announced that registration is expected of the company's first public offering, which is expected to consist of about $650,000 of convertible debentures and about $100,000 of common stock. **Proceeds**—For expansion, including a new warehouse and additional stores. **Office**—153-22 Jamaica Ave., Jamaica, L. I., N. Y. **Underwriter** — Hill, Thompson & Co., Inc., New York City, N. Y.

Meadow Brook National Bank
Oct. 5, 1960 it was announced that the bank is offering to its shareholders the right to subscribe for 462,564 shares of additional common stock on the basis of one new share for each 4½ shares held of record Oct. 11, with rights to expire on Oct. 27. **Price**—$21.50 per share. **Proceeds**—To supply cash for the merger with Colonial Trust Co. **Office**—West Hempstead, L. I., N. Y. **Underwriters**—Lee Higginson Corp. and Lehman Brothers.

★ Mountain States Telephone & Telegraph Co.
Oct. 18, 1960 the Board of Directors authorized a rights offering of 6,729,142 shares of capital stock to stockholders of record Nov. 28 on the basis of one new share for each five shares then held. Rights expire Dec. 20. **Price**—$12.50 per share. **Proceeds**—To repay short-term loans made to finance construction. **Office**—Denver, Colo.

National Aeronautical Corp.
Oct. 11, 1960 it was reported that a full filing of common stock is in preparation, part of which will be for the account of the issuer and part for selling stockholders. **Office**—Ft. Washington, Pa. **Underwriters**—White, Weld & Co., of New York City; Yarnall, Biddle & Co. and Stroud & Co., Inc., both of Philadelphia, Pa. (all jointly).

Nedick's Stores, Inc.
Nov. 12 it was reported that the company is contemplating the placing in registration of 17,000 shares of common stock. About 66% of the issue will be sold for the company's account and the remaining 34% balance will be sold for the account of a selling stockholder **Underwriter**—Van Alstyne, Noel & Co., New York.

New Jersey Bell Telephone Co. (11/15)
Sept. 1, 1960 approval was obtained from the New Jersey Board of Public Utility Commissioners for the sale of $20,000,000 of 40-year debentures. **Proceeds**—To reduce indebtedness and to supply funds for capital expenditures, which are expected to reach a record high of $105,000,000 in 1960. **Office**—Newark, N. J. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; White, Weld & Co. and Shields & Co. (jointly); Morgan Stanley & Co.; First Boston Corp. **Bids**—Expected Nov. 15.

Northern Fibre Glass Co.
Sept. 28, 1960 it was reported that this company is planning to issue 100,000 shares of $1 par common stock under a letter of notification. **Office**—St. Paul, Minn. **Underwriter**—Irving J. Rice & Co., St. Paul, Minn.

Northern Natural Gas Co.
Oct. 3, 1960 it was reported that an issue of $20,000,000 of sinking fund debentures is planned for the early part of December. **Office**—2223 Dodge St., Omaha, Neb. **Underwriter**—Blyth & Co., New York City.

Northern States Power Co. (Minn.) (12/6)
May 11 it was reported that the company plans the issuance and sale of $35,000,000 of 30-year first mortgage bonds. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co., Inc.; Merrill Lynch, Pierce, Fenner & Smith Inc., Kidder, Peabody & Co. and White, Weld & Co. (jointly); The First Boston Corp. and Blyth & Co., Inc. (jointly); Lehman Brothers and Riter & Co. (jointly); Equitable Securities Corp. and Eastman Dillon, Union Securities & Co. (jointly). **Bids**—Expected to be received by Dec. 6.

One Maiden Lane Fund, Inc.
Aug. 29, 1960 it was reported that registration is expected sometime in October of 300,000 shares of common stock. **Business**—This is a new mutual fund. **Proceeds**—For investment, mainly in listed convertible debentures and U. S. Treasury Bonds. **Office**—1 Maiden Lane, New York 38, N. Y. **Underwriter**—G. F. Nicholls Inc., 1 Maiden Lane, New York 38, N. Y.

Otter Tail Power Co.
July 27, 1960, Albert V. Hartl, executive Vice-President of this utility told this newspaper that an issue of $6,000,000 of first mortgage bonds is contemplated, although "plans for implementation of this project during 1960 are as yet indefinite, and there is a distinct possibility that it might be postponed to 1961." **Office**—Fergus Falls, Minn.

● Pacific Gas Transmission Co.
Sept. 23, 1960 it was reported that in addition to the common stock offered on Oct. 18, this subsidiary of Pacific Gas & Electric Co. plans to sell $99,000,000 of first mortgage bonds and $13,300,000 of convertible debentures. **Office**—San Francisco, Calif. **Underwriter**—Blyth & Co., Inc., New York City (managing).

Panhandle Eastern Pipe Line Co.
Sept. 28, 1960 it was reported that $65,000,000 of debentures are expected to be offered in the second quarter of 1961. **Office**—120 Broadway, New York City. **Underwriters**—Merrill Lynch, Pierce, Fenner & Smith Inc., and Kidder, Peabody & Co., both of New York City (managing.)

Peerless Mortgage Co.
Sept. 21, 1960 it was reported that this company is preparing a "Reg. A" filing. **Proceeds**—To increase buying power for purchase of first and second mortgages. **Office**—Denver, Colo. **Underwriter** — Copley & Co., Colorado Springs, Colo.

Pocket Books, Inc.
Sept. 28, 1960 it was reported that a secondary offering is being discussed, with registration likely in the first quarter of 1961. **Office**—630 Fifth Ave., New York City. **Underwriter**—To be named.

Potomac Electric Power Co.
March 21 it was stated in the company's annual report it is anticipated that their 1960 construction program will amount to $39 million and there will be further financing of about $15 million of an as yet undetermined type. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co., Inc.; First Boston Corp.; Dillon, Read & Co. and Johnston, Lemon & Co. (jointly); Kidder, Peabody & Co. and Merrill Lynch, Pierce, Fenner & Smith (jointly); Lehman Brothers and Eastman Dillon & Union Securities & Co. and Stone & Webster Securities Corp. (jointly).

★ Power Chem Industries
Oct. 18, 1960 it was reported that the company plans a "Reg. A" filing of 75,000 shares of common stock, constituting its first public offering. **Business**—The manufacture of additives for fuel oils. **Proceeds**—For expansion and general corporate purposes. **Office**—645 Forrest Ave., Staten Island, N.Y. **Underwriter**—Ronwin Securities Inc., 645 Forrest Ave., Staten Island, N.Y.

Public Service Electric & Gas Co. (12/13)
Oct. 10, 1960 it was reported that the company plans the sale of $25,000,000 of additional preferred stock on a negotiated basis. **Underwriter** — Merrill, Lynch, Pierce, Fenner & Smith, Inc.

Richards Aircraft Supply Co., Inc.
Oct. 10, 1960 it was reported that a "Reg. A" filing of the company's common stock is expected. **Proceeds**—For expansion and working capital. **Office**—Ft. Lauderdale, Fla. **Underwriter**—Blaha & Co., Inc., Long Island City, N. Y.

Ritter Co., Inc.
July 6 it was reported that this company plans to consolidate some $2,500,000 of funded debt, possibly through a private placement, pursuant to which a bond issue may be expected. **Underwriter**—Lehman Brothers, New York City.

Rochester Gas & Electric Corp.
Aug. 1, 1960 it was reported that $15,000,000 of debt financing is expected in the spring of 1961, perhaps in March. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Kidder, Peabody & Co., White, Weld & Co. and Shields & Co. (jointly); Kuhn, Loeb & Co.; Salomon Bros. & Hutzler, Eastman Dillon, Union Securities & Co., and Equitable Securities Corp. (jointly); Blyth & Co., Inc.; The First Boston Corp.

Rudd-Melikian, Inc.
Sept. 28, 1960 it was reported by J. C. Barr, a corporate officer, to this paper that new financing is being discussed. No details are available. **Office**—Hatboro, Pa.

(Jos.) Schlitz & Co.
March 11 it was reported that a secondary offering might be made. **Underwriters** — Merrill Lynch, Pierce, Fenner & Smith Inc. and Harriman Ripley & Co. Inc., both of New York City.

Southern Bell Telephone & Telegraph Co. (12/5)
Sept. 26, 1960 the company authorized the issuance of $75,000,000 of debentures to be dated Dec. 1, 1960. **Proceeds** — For construction. **Office** — Atlanta, Ga. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Morgan Stanley & Co., both of New York City. **Registration**—SEC registration is expected in November. **Bids**—Expected on or about Dec. 5.

Southern Railway Co.
Sept. 21, 1960 it was announced that a Halsey, Stuart & Co. Inc., group expects to bid on $25,000,000 of the road's bonds. No other details are available.

Southwestern Public Service Co.
Aug. 9, 1960, it was reported that in February, 1961, the company expects to offer about $15,000,000 in bonds and about $3,000,000 in preferred stock, and that about one year thereafter a one-for-twenty common stock rights offering is planned, with the new shares priced about 6½% below the then existing market price of the common. **Office**—720 Mercantile Dallas Building, Dallas 1, Texas. **Underwriter**—Dillon, Read & Co., Inc.

Storer Broadcasting Co.
Sept. 28, 1960 it was reported that a secondary offering is being planned. **Office**—Miami Beach, Fla. **Underwriter**—Reynolds & Co., New York City.

★ Swingline, Inc.
Oct. 18, 1960 it was reported that a common stock filing is expected. **Business**—The manufacture of stapling machines, staples, and assorted fasteners. **Office** — 3200 Skillman Ave., Long Island City, N. Y. **Underwriter**—Paine, Webber, Jackson & Curtis, New York City.

● Trans World Airlines, Inc.
Oct. 10, 1960 it was announced that financing needs have been scaled down to $318,000,000 from the original figures of $340,000,000 with $168,000,000 to be loaned to TWA by banks, insurance companies and other lenders, $50,000,000 to be drawn from internal sources, and $100,000,000 from the proposed sale of subordinated income debentures with stock purchase warrants to TWA stockholders. **Proceeds**—To give TWA direct ownership of a jet transport fleet. **Office**—10 Richards Road, Kansas City 5, Mo. **Underwriters** — Lazard Freres & Co., Lehman Brothers and Dillon, Read & Co., Inc.

Trunkline Gas Co.
Sept. 28, 1960 it was reported that approximately $15,000,000 of bonds and $5,000,000 of preferred stock are expected to be offered in the second quarter of 1961. **Office**—120 Broadway, New York City. **Underwriters**—Merrill Lynch, Pierce, Fenner & Smith Inc., and Kidder, Peabody & Co., both of New York City (managing).

United Air Lines, Inc.
Sept. 23, 1960 it was reported that an issue of convertible debentures is being considered. **Office**—5959 South Cicero, Avenue, Chicago, Ill. **Underwriter**—Harriman Ripley & Co., New York City.

United International Ltd.
Oct. 10, 1960 it was reported that a minimum of 1,000,000 shares of the fund will be filed. **Business**—A new open-end fund organized in Bermuda, which will be part of the United Funds group. **Underwriters**—Kidder, Peabody & Co., Bache & Co. and Francis I. du Pont & Co. (jointly).

United States Shell Homes, Inc.
Oct. 10, 1960 it was reported that $3,000,000 units type of filing is in preparation, probably to consist of debentures, warrants and common stock. **Office**—Jacksonville, Fla. **Underwriter**—Hayden, Stone & Co. (managing).

Virginia Electric & Power Co.
Sept. 8, 1960 it was reported that the company will need $30,000,000 to $35,000,000 from outside sources in 1961, and expects to come to the market for it in March or June. The precise form of financing will depend upon market conditions. **Office**—Richmond 9, Va. **Underwriter**—To be determined by competitive bidding. Probable bidders: Halsey, Stuart & Co. Inc.; Stone & Webster Securities Corp.; Eastman Dillon, Union Securities & Co.; Salomon Bros. & Hutzler; Goldman, Sachs & Co.

Waldbaum, Inc.
May 11 it was reported that public financing is being contemplated by this supermarket chain. No confirmation was obtainable. **Office**—2300 Linden Blvd., Brooklyn, New York.

Waldorf Auto Leasing Inc.
Sept. 14, 1960 it was reported that a "Reg A" filing is expected. **Office**—2015 Coney Island Avenue, Brooklyn, N. Y. **Underwriters**—J. I. Magaril & Co., New York City and Sandkuhl and Company, Newark, N. J., and New York City.

West Ohio Gas Co.
June 24, 1960, it was announced that the company anticipates, that in order to carry out its 1960 construction program it will consummate long-term financing during the year to provide additional funds in the approximate sum of $400,000.

Whippany Paper Board Co.
July 19, 1960, it was reported that this New Jersey company plans to register an issue of common stock. **Underwriter**—Van Alstyne, Noel & Co., New York City.

Winona Wood Products Co.
Aug. 24, 1960, it was reported that a full filing of class A common stock is contemplated. **Business**—The company makes wood cabinets for household and industrial use. **Office**—Winona, N. J. **Underwriter**—Metropolitan Securities Inc., Philadelphia, Pa. **Registration**—Expected in late October.

J. B. Coburn Sells Electronics Stock

Pursuant to a Sept. 23 offering circular, J. B. Coburn Associates, Inc., 55 Broadway, New York 6, N. Y., offered and sold 150,000 shares of the 10 cent par common stock of Federated Electronics, Inc. at $2 per share.

Since its incorporation on March 6, 1959, the company has manufactured Quartz Crystal Ovens, which is still its principal product. The company has, however, developed additional products and in addition to manufacturing Quartz Crystal Ovens, it manufactures and sells thermostat switches, frequency control devices and special purpose ovens. It has engaged in experimentation and special development and engineering activities in further improving its products and in developing other types of thermostatically controlled ovens and various types of thermostatic oven controls.

Since June 1, 1960, the company has set up a plant for the growing of germanium and silicon crystals. Production, on a small scale, was started on Aug. 1, 1960.

Federated, for the purpose of increasing production, has leased 7,000 square feet of floor space in a modern multi-story factory building in Jamaica, adjoining the Van Wyck Expressway at Jamaica Avenue.

On Feb. 19, 1960, the company entered into a lease for the period April 1, 1960 to March 31, 1962 at an annual rental of $8,800 for the period April 1, 1960 through June 30, 1960, and an annual rental of $9,100 for the period July 1, 1960 through March 31, 1962. There is no provision for renewal of said lease.

The company is engaged in the research, development and manufacture of systems of temperature control and in the inspection and calibration of such controls and in the manufacture of crystal ovens which are widely used for frequency control in products such as mobile radio communications sets, both for transmission and reception. The company also manufactures thermal switches, frequency control devices and special purpose ovens. Federated believes itself to be one of the very few crystal oven manufacturers who produce their own thermostats used in conjunction with crystal ovens.

Form ABC Securities

BROOKLYN, N. Y.—ABC Securities Corporation has been formed with offices at 1448 57th Street to engage in a securities business.

WASHINGTON AND YOU

BEHIND-THE-SCENES INTERPRETATIONS FROM THE NATION'S CAPITAL

WASHINGTON, D. C.—The Nation's Capital is becoming more and more conscious of the high birth rate in the United States, although there has been a slight decline the past year.

The reason the high birth rate has been pointed up so conspicuously is because of blighted central cities, overcrowded suburban areas, deteriorating educational systems, ever-increasing taxes, and a number of other things like declining supplies of fresh water and lack of adequate housing in many communities.

The Population Reference Bureau, Inc., a non-profit, scientific and educational organization based in Washington, declares that the current population increase of about 50,000,000 persons a year around the world, represents much too rapid growth for the resources of the world.

However, here in the United States there has been "a breather in the fertility binge in which this country has been engaged since 1946," according to the Population Bureau. For 11 consecutive months, September, 1959, through July, 1960, the birth rate has fallen slightly below the rate for the same month the previous year. Does this mean that the birth rate has reached its peak and there will be a leveling off from now on?

Official Washington does not know. Only time will tell whether the trend will continue.

Decline Termed "Overdue"

During the past 15 years nearly 58,000,000 babies were born in our country. This number is greater than the combined populations of Canada, Mexico and Venezuela. In the 15 years preceding 1945, there were about 39,000,000 births.

In the first six months of 1960, the birth rate averaged 22.6. This compares with 23.6 for the same period in 1959, 23.7 in 1958 and 24.2 in 1957. (Birth rates are in terms of 1,000 of the population per year.)

The present annual rate of natural increase is three times that of the United Kingdom and Sweden, and above that of Japan. The Population Reference Bureau study shows that while our country's birth rate is much higher than most of Western industrial countries, it is far below the rates in the undeveloped countries.

"The current reduction in the birth rate is long overdue," observes the scientific and educational organization. "However, it is difficult to pinpoint the factors that have influenced the decline. It could reflect that many Americans were concerned about the duration and seriousness of the business recession of 1957-59 since the births recorded between January and July 1960 were conceived between May and November. Hopefully, the wavering birth rate might be a straw in the wind to indicate that young Americans are taking a new look at the responsibilities of parenthood.

There are a series of reasons why the United States birth rate is higher than other Western nations. A paramount reason is our higher standard of living, including a great abundance of good wholesome food. Another reason for the high rate is the large families by non-white couples in this country. The Negro families, particularly in the Southern states, are larger than the average white family.

Blighted Areas Increasing

The population of the world each year is increasing by about 50,000,000 persons. This growth is too rapid for the world's resources. Therefore, unless lower birth rates start taking place the world's problems are going to get steadily worse.

The simple facts are there are not enough resources to go around. Even in the prosperous United States, it is going to be necessary to import more and more raw materials if we expect to keep up our standard of living.

Furthermore, because of the population rise at such a fast clip, our problems are multiplying all the time. The central cities by the scores are becoming blighted. One time prosperous stores and shops by the thousands are being boarded up.

Even within sight of the great dome of the United States Capitol, where the government payroll pours out millions of dollars every week into the channels of trade of metropolitan Washington, there are many blighted one time business blocks. The stores are moving to the suburbs, because the downtown streets are choked with traffic.

Robert C. Cook, President of the Population Reference Bureau, maintains that universal understanding of the population problem is the first step toward lower birth rates. Only a beginning to that end has started. Mr. Cook contends after his world-wide studies that time is crucial because mounting population pressure could defeat the hope of a better life among millions in the undeveloped areas.

"Lower birth rates will not come unless the need to regulate births is understood and the small-family pattern universally accepted as socially and economically desirable. Only when man's truly dramatic achievement in lowering death rates is matched with lower birth rates will over-rapid population growth be checked."

Outlook for United States

President Eisenhower has warned that the world population would reach at least 5,000,000,000 within 30 years at the present rate of growth. It may even exceed that figure by nearly a billion.

The population of our country since 1900 has increased from 76,000,000 to 180,000,000. If the upward trend continues, there will be 260,000,000 by 1980 and 350,000,000 by 2000. Fewer couples are childless; the three and four-child family has replaced the one and two-child family so prevelant in the hard depression years of the 1930s.

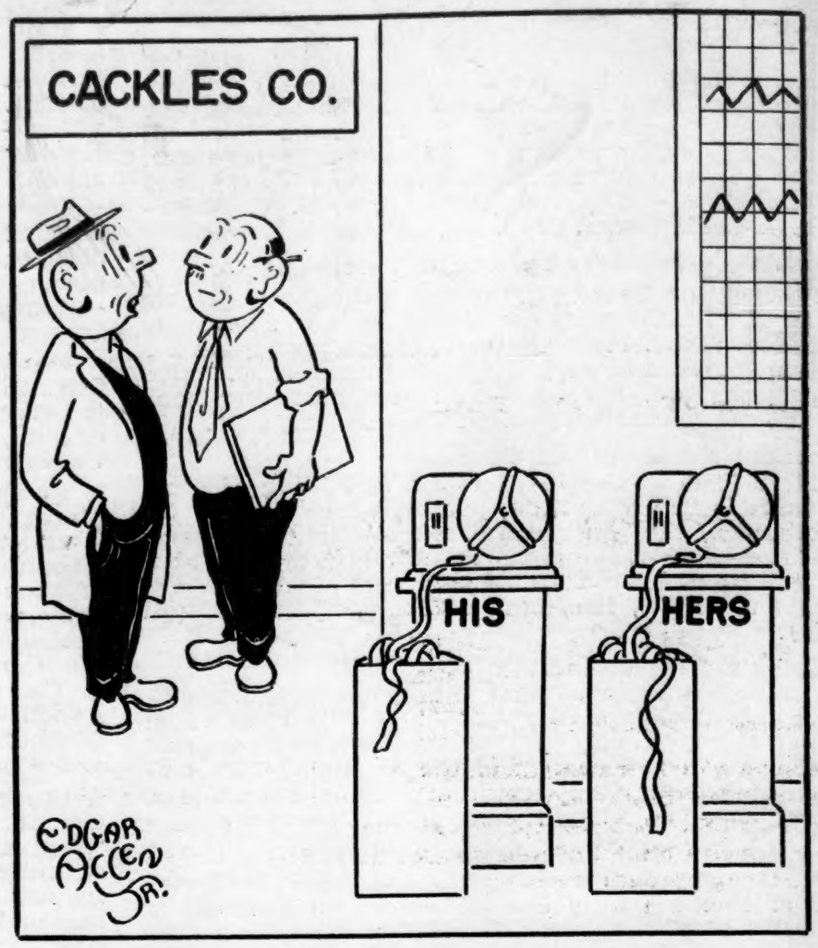
In 1958 and 1959 alone, around the world, 90,000,000 people were added to the world's population. This is the equivalent to another Japan, or two countries with the population the size of France. The growth is unprecedented.

Some authorities believe that by 2000, the earth's population could jump to 7,000,000,000, if the current rate of birth continues and the death rate declines. Latin American countries are expected to grow fastest from 206,000,000 to 592,000,000.

Approximately 55% of the world's population, excluding the USSR, live in Asia. Some 40 years from now an estimated 61.8% of the world's people will live in Asia. Russia, with 72 cities with more than 200,000 population each, had nearly 209,000,000 as of January, 1959, and was growing at 1.75% a year. Russian male population losses in World War II were more than 15,000,000. Therefore, women 32 years old and older out-number men about 55 to 45. Among people under 32, the sex ratio is about equal.

Japan is the only Asian country which has effectively reduced its birth rate. The Japanese rate used to be one of the highest in the world, and is now one of the lowest.

[This column is intended to reflect the "behind the scene" interpretation from the nation's Capital and may or may not coincide with the "Chronicle's" own views.]



"Anything to that rumor about Cackles taking his wife in as his partner?"

First Fidelity Inv. Co.

ABILENE, Texas—First Fidelity Investment & Bond Co. is engaging in a securities business from offices in the Petroleum Building. Officers are Jack V. McGlothlin, President; Ray McGlothlin, Jr., Vice-President; Hal McGlothlin, Secretary-Treasurer; Wyman Wilkerson, Assistant Secretary and Assistant Treasurer, and Wilson C. Orr, Assistant Secretary.

Forms Scoville Co.

LOS ANGELES, Calif.—Ogden D. Scoville is engaging in a securities business from offices at 2125 Bonsallo Avenue, under the firm name of Scoville & Co. Mr. Scoville was formerly with Powell, Johnson & Powell.